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ANNUAL REPORT  
1983

Department of Public Welfare

GOVERNMENT DOCUMENTS  
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Commonwealth of Massachusetts  
Executive Office of Human Services





*The Commonwealth of Massachusetts*  
*Executive Office of Human Services*  
*Department of Public Welfare*  
*600 Washington Street, Boston 02111*

CHARLES M. ATKINS  
Commissioner

TO: Citizens of the Commonwealth

FROM: Charles M. Atkins, Commissioner  
Department of Public Welfare

RE: 1983 - ANNUAL REPORT

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The attached 1983 Annual Report of the Department of Public Welfare is an effort to offer a capsule summary of the key policy and management changes that have been put into place during the last twelve months.

During this period, the Department has made a great effort to ensure that the Department's programs are administered compassionately. At the same time, efficient management has also been a top priority of the Department in an effort to ensure that these dollars are well-spent. I believe this report illustrates much progress on both fronts.

None of these improvements would have been possible without the full cooperation of Governor Dukakis, the Executive Office of Human Services, and, especially, all the Department's 4,800 employees.

Most important, this progress is a result of the leadership and full support of the late Manuel Carballo, the Secretary of Human Services. Manny held fast to a vision of human services that were delivered both compassionately and efficiently. His leadership will be missed by all of us at the Welfare Department and all of those who are concerned with human services.



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ANNUAL REPORT

1983



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## Introduction

The Department of Public Welfare is the largest agency in Massachusetts state government. With an annual budget approaching \$2 billion, Public Welfare administers programs of cash and medical assistance to the poor, elderly and disabled. These programs include partially federally-funded programs such as Aid to Families with Dependent Children (AFDC), Food Stamps, and Medicaid, and state-funded programs like General Relief (GR). The Department also has a program of education, job training and placement for welfare recipients called Employment and Training (ET). The Department serves clients in 65 offices located throughout the state.





A PORTRAIT OF THE DEPARTMENT OF PUBLIC WELFARE: 1983





## I. Management Indicators

This one page summary is a snapshot of the key management indicators of the Department of Public Welfare. Overall, this data demonstrates that during the first year of the Dukakis Administration - when many new programs have been initiated to meet the needs of the poor and the elderly - measures of managerial efficiency have also improved.

CASELOAD - The AFDC caseload in December 1983 was 87,604, down 3,853 from January 1983 when Governor Dukakis took office.

|             | <u>AVERAGES</u> |             | <u>DIFFERENCE</u> |
|-------------|-----------------|-------------|-------------------|
|             | <u>1982</u>     | <u>1983</u> |                   |
| AFDC        | 98,180          | 88,837      | -9,343            |
| GR          | 23,144          | 26,901      | +3,766            |
| Medicaid    | 268,637         | 257,134     | -11,503           |
| Food Stamps | 169,783         | 158,444     | -11,339           |
| Refugees    | 3,657           | 2,683       | -974              |

ERROR RATES - While no official data are currently available for most of 1983, latest data show that:

|             | <u>ALL-TIME HIGH</u> | <u>ALL-TIME LOW</u> | <u>10/82 - 3/83</u> |
|-------------|----------------------|---------------------|---------------------|
| AFDC        | 24.8%                | 5.6%                | 10.4%               |
| Medicaid    | 14.2%                | 4.6%                | 5.3%                |
| Food Stamps | 16.3%                | 10.3%               | 10.3%               |

SAVINGS - The Department significantly increased the amount of money saved during 1983.

|                                    | <u>1982</u> | <u>1983</u>                           | <u>DIFFERENCE</u> |
|------------------------------------|-------------|---------------------------------------|-------------------|
| Medicaid Savings                   | \$15.5M     | \$33.4M                               | +\$17.0M          |
| Finance Department Collections     | \$20.2M     | \$26.6M                               | +\$6.4M           |
| Child Support Collections          | \$39.8M     | \$41.8M                               | +\$2.0M           |
| Employment and Training Placements | N/A         | 1174 (October through December, 1983) |                   |



## II. Compassion Agenda and Aid to the Homeless

This section reviews the major elements of the Department's efforts to make its programs more compassionate and to alleviate the problems of homelessness in the Commonwealth.

### o Client Services

The Department established the Office of Client Services and a toll-free number (1-800-322-1373) for needy or homeless individuals who seek the Department's aid. This office now receives over 200 phone calls per day, helping the poor to receive aid and finding shelter for the homeless.

### o Homeless Shelters

The Department provided funding to open 8 new shelters in 1983 in addition to the two the Department had previously funded. These new beds, aimed primarily at serving homeless families, brought the number of DPW funded homeless beds to over 768. The Department will open 5 new shelters in the remainder of FY84.

### o General Relief Caseload Increase

While the Federal budget cuts have reduced aid to many needy individuals, Massachusetts has attempted to fill this gap by expanding aid to those eligible for state programs. In response to the Governor's pledge to alleviate homelessness, the Welfare Department is providing aid to many formerly homeless people which allows them to acquire permanent housing. The General Relief program, the largest of such state programs, had a caseload increase of 3,766 during 1983.

### o Residency Requirements

The Homelessness Bill (Chapter 450), initiated by the Governor and passed by the Legislature in October, eliminated the residency requirements for General Relief. This change allowed the Department to provide aid and to help find shelter for many homeless individuals and families who are not eligible for AFDC.

### o Emergency Assistance

Chapter 450 - The Homelessness Bill - also made significant changes in the Department's program of Emergency Assistance for AFDC recipients. This program provides aid to individuals with extraordinary needs.





Among the changes this legislation made:

|                               | <u>OLD PROGRAM</u>           | <u>NEW PROGRAM</u>                                    |
|-------------------------------|------------------------------|---|
| Heating + Utility<br>Arreages | Up to \$250<br>in back bills | Full payment<br>of up to 4<br>months of<br>back bills |
| Rent                          | Up to \$250<br>in back bills | Full payment<br>of up to 4<br>months of<br>back bills |
| Furniture Storage             | None                         | Up to 30 days   |
| Shelter                       | 30 Days or \$1000            | Maximum allowed<br>by federal government              |

o Pregnant Women

Because of the federal budget cuts, pregnant women are ineligible for any AFDC benefits until the third trimester. This policy places a number of pregnant women in danger of becoming homeless at a time when they are often most in need. Chapter 450 authorized the Department to aid pregnant women throughout their pregnancy by providing emergency assistance to them.

o Revitalization of Office of Refugee Resettlement

The Department appointed a new Director of Refugee Resettlement, the only director in the nation to be a former refugee himself, and is adding the necessary staff and other resources to improve this office's ability to reach and to serve the refugee population.

o Nutritional Outreach

The Governor has made the elimination of child malnutrition a high priority for the Administration. After the release of a Department of Public Health study which found significant malnutrition among children and refugees in the state, the Legislature passed a supplemental budget of \$560,000 for outreach to individuals eligible for Food Stamps and for the Project Good Health Program who are not currently receiving these services. Since this budget passed in December 1983, the Department has begun gearing up to enroll eligible individuals.





o Case Management Screening Program Review

This program is charged with ensuring that Medicaid pays only for the level of nursing home care that is necessary. The Department in 1983 established a panel of outside experts to examine this program and to recommend changes to make it both more compassionate and more efficiently administered. The Department has implemented or plans to implement all of the recommendations of this panel, including:

- . All elderly people entering nursing homes should be pre-screened for the appropriate level of care, including private paying patients who anticipate converting to Medicaid so that they would know well in advance what type of care they qualify for.
- . For patients referred by the majority of hospitals, screening should be done by the hospital staff -- instead of the Department of Public Welfare. The Department will audit these referrals to insure they are done properly.
- . All people who are denied Medicaid-financed nursing home care should be referred to a Home Care Corporation to ensure they receive the community services that are appropriate for them.
- . Patient assessment procedures should be modified to make them more consistent, fair and objective.
- . The procedures for fair hearings when patients appeal nursing home denials should be revised.

o Employment and Training

The Department has, in cooperation with other state agencies, the business community, and welfare recipients, redesigned its program to help our clients find meaningful employment. The new program emphasizes voluntary participation, choices among various placement and training options, and adequate support services such as day care and transportation. This program, Employment and Training, while in operation just 3 months at the end of 1983, has placed over 1000 recipients into unsubsidized jobs at wages over 175% of their welfare grants. The Department's goal is to place a total of 5000 recipients in FY84.

o OB/GYN Medicaid Enrollment

In certain areas of the state, such as Cape Cod and the South Shore, there are shortages of participating obstetricians and gynecologists. These doctors have cited a number of concerns:

- . increased paperwork with the Department's new computer system;
- . the contract that is required for the first time by the federal government; and
- . the reduced surgical fees set by the Rate Setting Commission.



The Department has attempted to address their concerns and ensure our recipients the necessary medical care by taking a number of actions. To date we have:

- reduced unnecessary paperwork by shortening the Medicaid participation agreement which the physicians have been asked to sign from 7 pages to 1 1/2;
- reduced the amount of detail needed on the new Medicaid claim form by requiring physicians to provide an abbreviated diagnosis code in place of the 11 digit code originally required;
- reduced the burden of financial audits by streamlining and simplifying the audit process;
- increased the number of telephone lines and staff assigned to answer inquiries from providers regarding the status of Medicaid bills;
- prepared and formulated a letter to Medicaid recipients requesting that they telephone physicians when they are unable to make appointments in order to reduce the "no show" rate; and
- improved the management of the MMIS contractor (the Systems Development Corporation) to improve the accuracy and timeliness of payments of Medicaid claims.

The Department believes this should provide the incentives necessary to provide adequate coverage to low income women across the state.





### III. Legislative and Budgetary Changes in 1983

#### o The Homeless Bill - Chapter 450

The Governor and Legislature passed this important act which significantly increased the Department's mandate to help the homeless. It is more fully described in the preceding section.

#### o Medicaid "Spend-down"

Historically, severely disabled and some elderly people with routinely high medical bills go on and off Medicaid depending on how high their bills are in a particular month. This situation has played havoc with many of the State's neediest citizens. Legislation drafted by the Legislature, the Executive Office of Human Services, and the Department now allows the Department to consider a sole month's income in determining Medicaid eligibility for many severely disabled and elderly individuals instead of using an average of their income over six months. This innovative change will allow many individuals to be cared for in community and non-institutionally based settings who might otherwise be forced to go into a nursing home.

#### o Nurse Practitioner

The Legislature passed a new law allowing nurse practitioners and physicians assistants to prescribe certain medications to the chronically ill. This law will significantly increase the Department's ability to help elderly people receive needed medical care while remaining in their homes or in the nursing homes.

#### o Burial Allowance

The Legislature this year increased the amount the Department provides for burials from \$300 to \$1100. At the old rate, many funeral homes refused to handle the funerals of welfare recipients.

#### o Clothing Allowance

On September 1, 1983, the Department distributed a \$125 clothing allowance to each AFDC child and \$90 clothing allowance to each GR recipient. This one-time payment, provided by the Governor and Legislature in the FY84 budget, is equivalent to an additional 5% of the average yearly grant for a family of three.

#### o Standard of Need

Effective January 1, the Legislature and Governor provided a 5% increase in the standard of need for the AFDC program. This will allow several hundred additional needy families to receive aid and many other working poor families to be eligible for Medicaid.



o Transplant Fund

The Governor and the Legislature established a new fund to be financed by a voluntary tax check-off on state tax forms to help pay for transplant operations. While this fund will not directly involve the Department, it will serve as an alternate payment source to Medicaid which has paid for these costly life saving procedures in the past.

o Nutrition Supplemental Budget

To help fight the growing number of malnourished children and refugees, the Governor and the Legislature prepared a supplemental budget which included over \$500,000 for the Department. This money will fund outreach activities to enroll over 10,000 new individuals in the food stamp program and, by the end of FY85, increase the children enrolled in preventive health programs to 50% of those eligible. Case managers will also be funded to ensure that refugees receive the nutritional aid they require.





#### IV. Savings and Management

Overall, the Department will generate savings and revenues equalling 8.3% of its total spending in FY84. In the Governor's FY85 budget, the Department has committed to producing over 12% of similar revenues, a 61% increase. A few items on this ambitious agenda are:

##### o Medicaid Savings

In FY83, the Department generated over \$24 million in savings in Medicaid spending. In just the first six months of FY84, the Department saved \$28 million, well on the way to meeting the \$70 million goal. In FY85, the Department plans to save an additional \$52 million by holding down rate increases, aggressively enforcing third-party liability, and utilizing the new MMIS to reduce inappropriate claims.

##### o Medicaid Management Information System (MMIS)

On October 1, the Department fully implemented an automated Medicaid claims processing system (MMIS). This computer system should bring significant new savings by eliminating erroneous or fraudulent claims. This system will also provide information on health care usage never before available.

In 1983, the Massachusetts' MMIS issued over 110,000 checks totaling over \$269 million.

##### o Child Support Collections

In 1983, the Department collected \$41.8 million in child support collections, up from \$39.8 million in 1982. In 1984, a new program, initiated by the Legislature in the FY84 budget to fund District Attorney efforts to enforce child support orders, should help the Department increase collections even further. According to federal reports, Massachusetts has the fourth most effective child support program in the country.

##### o Recovery and Recoupment

The Department plans to recover \$25 million worth of inappropriate payments in this budget year. In the first half of this period, DPW collected over \$16 million of such payments, 35% above the target needed to reach our goal. In FY85, the Department plans to recover an additional \$5 million.

##### o Computer Match

The Department uses computers to match recipient files with wage reporting and income tax data from the Department of Revenue, with unemployment compensation rolls from the Division of Employment Security and with deposits in banks in Massachusetts. To ensure that matches are properly done and recipients actually have access to these funds, Secretary Carballo directed the Department to institute a new procedure during 1983 that gives recipients a chance to review and explain any match in an informal setting without the immediate threat of losing their aid. These matches help reduce error and save the Commonwealth millions of dollars in inappropriate payments. In 1983, 384 cases were closed because of these matches.



o Food Stamp Photo Identification Cards

On December 1, Massachusetts became the first state to issue food stamp ID cards to its food stamp recipients statewide. These cards reduced the incidence of stolen or fraudulent food stamp use dramatically, and will save over \$1.2 million annually. These cards are also very popular with recipients, some of whom do not have any other photo ID.

o Fraud Referrals

While the Department does not conduct investigations of cases of fraud, we cooperate fully with the Bureau of Special Investigations (BSI) on client fraud and the Attorney General on medicaid provider fraud. In 1983, we referred over 33,000 cases of possible client fraud or overpayment to BSI.

o Error Reduction

The highest priority of the Department is the accurate, timely and compassionate delivery of services to its clients. The Department has developed a comprehensive plan for minimizing the error rates in all its programs. This plan includes the following specific steps that have been implemented or are planned:

Worker Accountability

- Converting to a caseload system which assigns each case to a specific worker who will be accountable for the accuracy of that case
- Developing accuracy standards for all programs
- Assigning additional staff to case-carrying functions in order to increase both the frequency and accuracy of redeterminations
- Eliminating unnecessary paperwork so that workers can focus on error reduction activities
- Improving the computer report which sets priorities for cases to be redetermined to focus on those most likely to have errors
- Developing case review guides and procedures to focus worker attention on the specific error characteristics of each case
- Implementing training programs to improve workers' interviewing skills in eliciting necessary information from recipients
- Developing criteria for more frequent redeterminations for selected cases

Supervisory Review

- Refining the role of the supervisor to pinpoint current error prone cases





- Developing improved measurements of the error rate by supervisory unit
- Defining accuracy standards for supervisors

#### Computer Matches

- Improving the efficiency of Department of Revenue matches by eliminating duplication of previously identified cases
- Purging out-of-date and irrelevant data from Division of Employment Security matches
- Improving the Bank Match process to detect cumulative assets held in several bank accounts
- Redesigning the Bank Match process so that it will produce more timely information and follow-up on targeted cases
- Modifying Monthly Income Reporting forms to collect more specific and accurate information from clients
- Refining Monthly Income Reporting practices and procedures to concentrate worker activity on cases with earned income errors
- Considering additional computer matches such as BENDEX (social security), Registry of Motor Vehicles, and Internal Revenue Service

#### Policy and Procedures

- Clarifying specific policies and procedures related to common agency-caused errors
- Communicating with other states to learn from their experiences with computer matches and other approaches to corrective action

#### Management Performance

- Creating a system to measure error rate at the local office level
- Holding local office directors accountable for the error rate in their offices
- Incorporating attainment of error rate reduction goals into the performance appraisal systems of the Department.





## V. Administration

### o Management Performance Appraisals

The Welfare Department has recently implemented a system to evaluate the effectiveness of our managers. This key management by objective (MBO) system will be used to evaluate managers for promotion and will be the basis for determining annual salary increases.

### o Affirmative Action

The Department has made a strong commitment to affirmative action hiring and each executive manager is being evaluated on his/her AA hiring record. In the first six months of FY'84, the Department has achieved an outstanding record.

|                 | <u>NEW HIRES</u>  |              |
|-----------------|-------------------|--------------|
|                 | <u>MINORITIES</u> | <u>WOMEN</u> |
| Executive Staff | 23%               | 55%          |
| All Staff       | 30%               | 74%          |

### o Local Office Improvements

The Department has an aggressive program to improve office conditions for both clients and employees. In 1983, over 14 offices were either relocated into new space or had significant renovations and improvements.

### o Reorganization

Under the scheduling authority granted to the Department in the FY'83 budget, the Department was reorganized so that organizational authority would mirror program and budgetary responsibility. At the same time, salary upgrading for local office managers brought them in line with managers in other state agencies with similar responsibilities.

### o Systems Improvements

Several important new computer systems were developed or significant improvements were made in existing systems during 1983.

- MMIS was turned on after 17 years of trying
- The Child Support Enforcement Model II Tracking System has become a national model for monitoring child support payments
- The Department of Public Welfare will, in early 1984, become the fourth state agency to have all payroll processing done by the Personnel Management Information System (PMIS)



- All accounting activities for the agency will soon be carried out by the MIDAS System; and
- A trend-setting integrated eligibility system is being developed that will automatically determine a client's eligibility for each of the Welfare Department's programs.





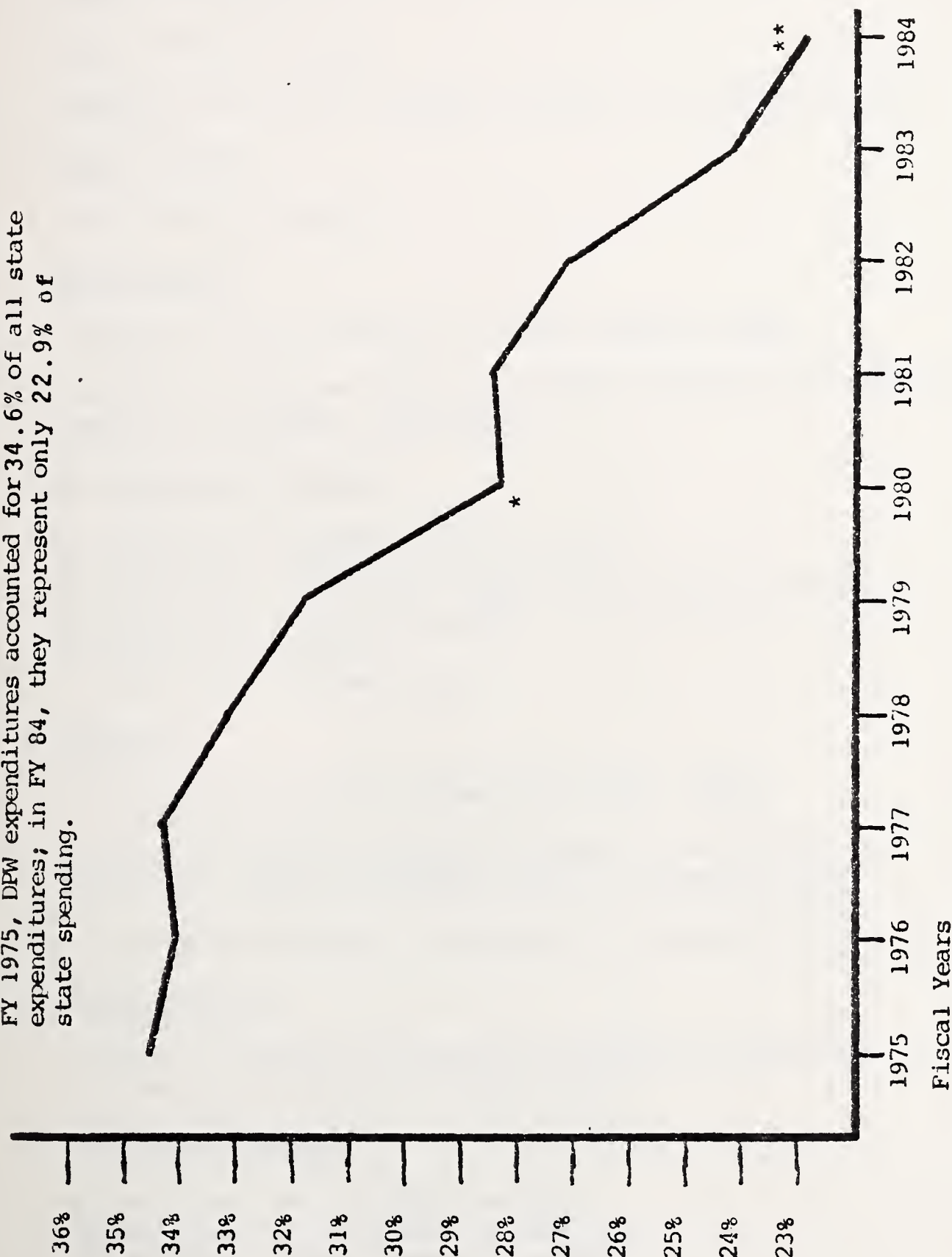
APPENDIX A

WELFARE DEPARTMENT BUDGET SUMMARY



TOTAL STATE BUDGET

Although the DPW budget has increased since 1978, it has not increased as fast as the total state budget: in FY 1975, DPW expenditures accounted for 34.6% of all state expenditures; in FY 84, they represent only 22.9% of state spending.



\*Through FY79, the DPW Budget included funds for activities now performed by the Department of Social Services. In 1980, the DPW Budget partly funded those activities. From FY81 on, no money for those activities has been included in the DPW Budget.

\*\*FY84 calculations are based on appropriations, not actual spending. In some years, the expenditure data used in these calculations differ slightly from the House 1 appropriation for technical reasons.

Sources: FY75-FY81 - Massachusetts Taxpayers Foundation (MTF) State Budget Trends

FY81-FY84 - DPW Budget Office, A&F Budget Bureau, MTF Budget Briefs

Prepared by: Department of Public Welfare, Office of Research, Planning & Evaluation



## FY84 BUDGET

Total Spending = \$1.804 Billion

o AFDC

5% increase of standard of need allowing working poor to be eligible for Medicaid coverage

\$125 clothing allowance

Emergency Assistance increases provided in the Homeless Bill

o General Relief

\$90 clothing allowance

o Homelessness

Funding for 13 new shelters to house homeless people

Funding for increased number of homeless people on assistance due to removal of residency requirements

o Employment and Training

\$5.0 Million - Supported Work

\$3.2 Million - Education and Training

\$5.4 Million - Job Search - Division of Employment Security

\$1.5 Million - Career Assessment

\$6.0 Million - Day Care

\$ .5 Million - Transportation

o Medicaid

12 new managed health programs for elderly people

Funding for Personal Emergency Response System (PERS) and respite care to allow more elders to remain at home

Increased PGH enrollment from 42,000 to 48,000 children

o Administration

Funding for Research, Planning and Evaluation Unit which previous administration had eliminated

o Savings and Revenues

\$77 Million - Medicaid/MMIS Savings

\$47 Million - Child Support Collections

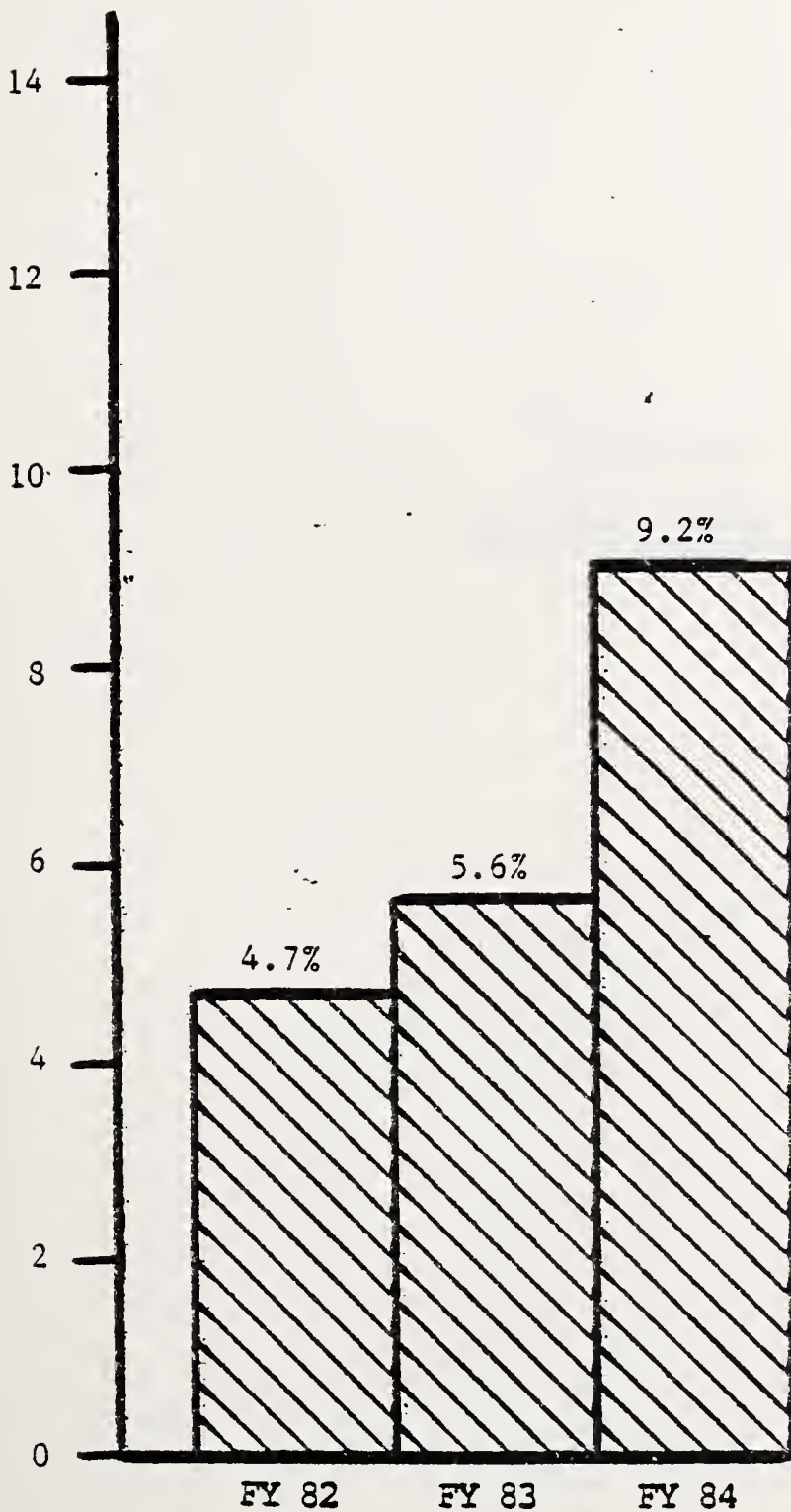
\$25 Million - Finance Revenue Recovery





## SAVINGS AND REVENUES AS A PROPORTION OF PROGRAM SPENDING

As DPW savings and revenues grow, they cover an increasing proportion of Department program spending.



Fiscal Year

Source: DPW Budget Office

\*Projected Savings

Prepared by: DPW Office of Research, Planning and Evaluation

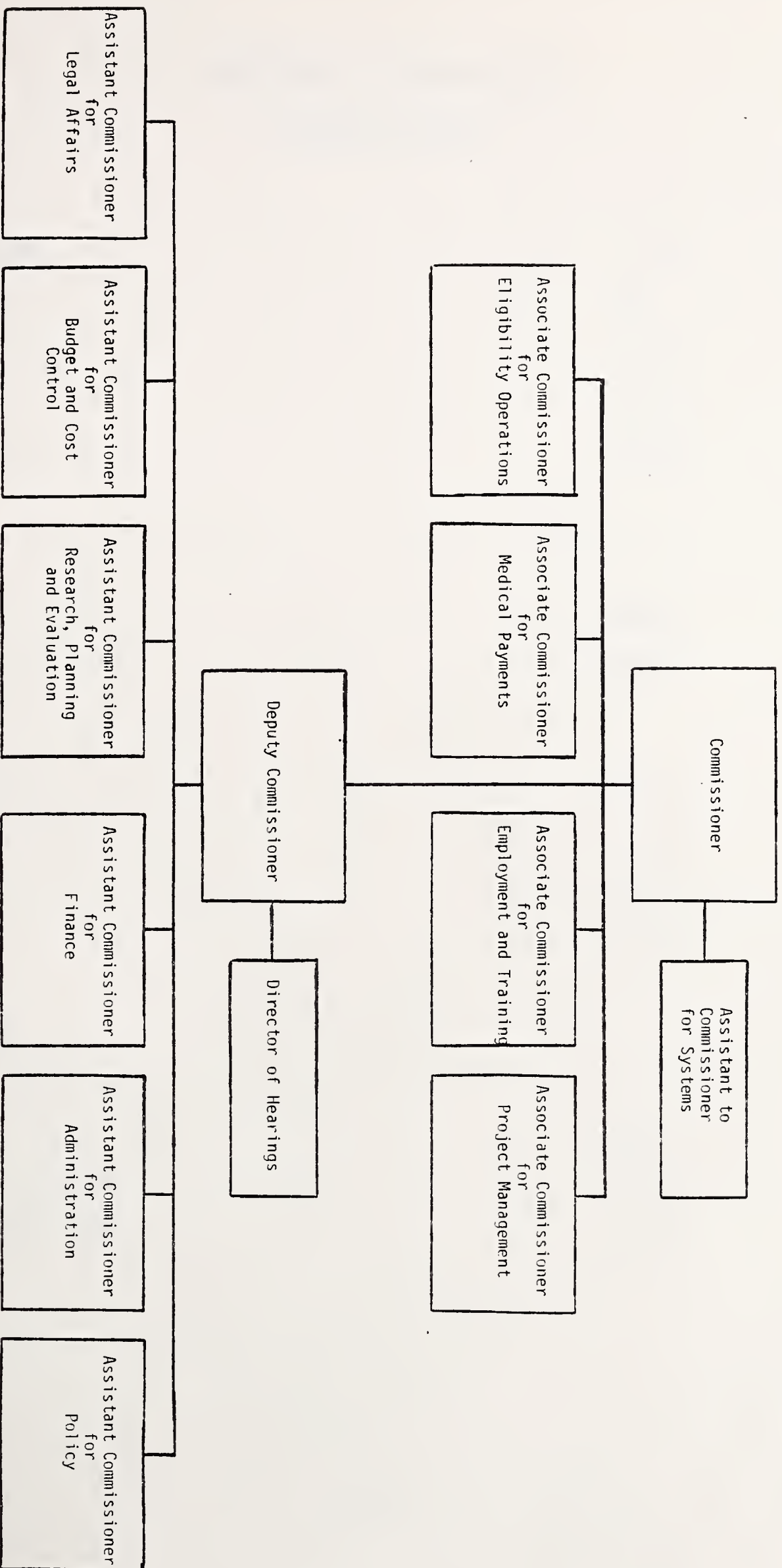


APPENDIX B  
PERSONNEL SUMMARY





DEPARTMENT OF PUBLIC WELFARE





DEPARTMENT OF PUBLIC WELFARE

EMPLOYEE PROFILE

AGE

|            |       |
|------------|-------|
| 30 & Below | 17.5% |
| 31 - 40    | 35%   |
| 41 - 50    | 15.6% |
| 51 - 60    | 21.4% |
| Above 60   | 10.5% |

SEX

|        |       |
|--------|-------|
| Female | 70.2% |
| Male   | 29.8% |

RACE

|           |       |
|-----------|-------|
| Caucasian | 86.3% |
| Black     | 8.7%  |
| Hispanic  | 3.8%  |
| Other     | 1.2%  |

SALARY GRADE

|                   |       |
|-------------------|-------|
| Grade 6 - 12      | 37.9% |
| Grade 13 - 18     | 53.1% |
| Grade 19 & Above  | 2.8%  |
| Management Grades | 6.2%  |



#### YEARS OF SERVICE

|             |       |
|-------------|-------|
| 5 and Below | 40.6% |
| 6 - 10      | 22.6% |
| 11 - 20     | 27.9% |
| 21 - 30     | 6.0%  |
| 31 & Above  | 2.9%  |

#### TYPICAL EMPLOYEE

White, Female, Aged 31 - 35, Financial Assistance Worker I  
(Grade 13)

#### ANNUAL TURNOVER

7%





APPENDIX C  
FACTS AND FIGURES



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I. Facts About Welfare



## FACTS ABOUT WELFARE

17.7% of all Massachusetts families have an annual income of under \$10,000.

A mother with two children who works 40 hours a week at the minimum wage lives below the poverty level.

A family receiving full AFDC benefits plus food stamps lives below the poverty level.

67% of families receiving AFDC are white.

Almost half of the non-English-speaking AFDC clients speak Spanish; 9.9% speak Portuguese; 7.9% speak Italian.

Each month about 1000 AFDC recipients leave the welfare rolls to take jobs.

A national study recently revealed showing that adults who had been dependent on welfare as children are no more likely to be dependent than other adults in the population.

From 20 to 25 percent of American families turned to welfare in at least one of the 10 years between 1969 and 1978 but only about two percent were persistently and totally dependent on welfare.

The elderly and disabled account for two-thirds of Medical expenditure although they account for only one-third of the Medicaid caseload.

54% of the working families terminated from AFDC because of federal eligibility changes in October 1981 had their employment interrupted in the subsequent 18 months:

16.9% of the families returned to the AFDC rolls

19.0% reapplied for AFDC but were not successful

18.1% became unemployed but did not re-apply for AFDC

Eleven states, including California and New York, provide higher benefit levels than Massachusetts. (others: Alaska, Connecticut, Hawaii, Michigan, Minnesota, Rhode Island, Vermont, Washington, Wisconsin)



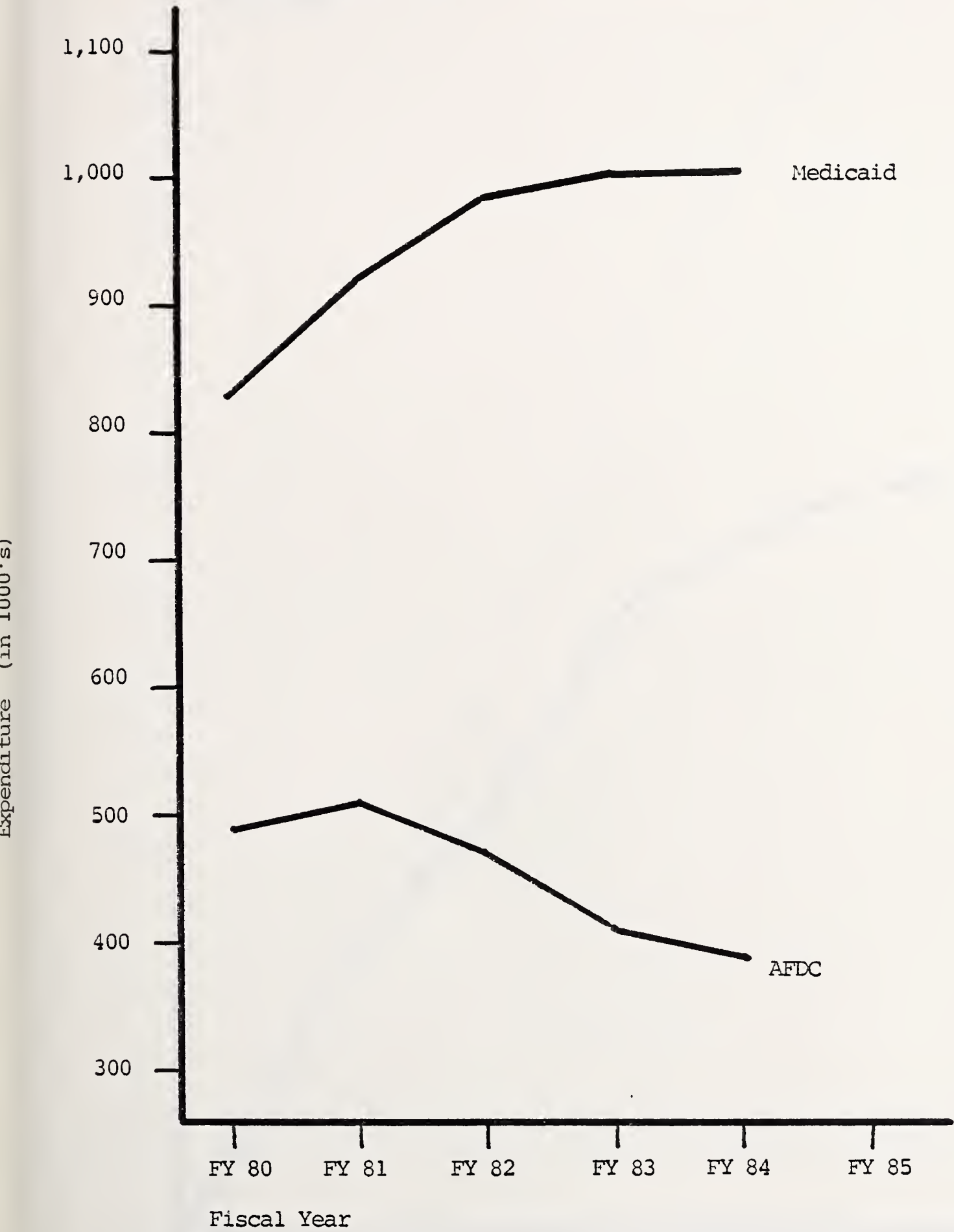
## II. Cash Assistance





DEPARTMENT OF PUBLIC WELFARE EXPENDITURES

Over the last three years, Medicaid expenditures have leveled off while AFDC expenditures have declined by 24%.



Source: DPW Budget Office

Prepared by: DPW Office of Research, Planning and Evaluation



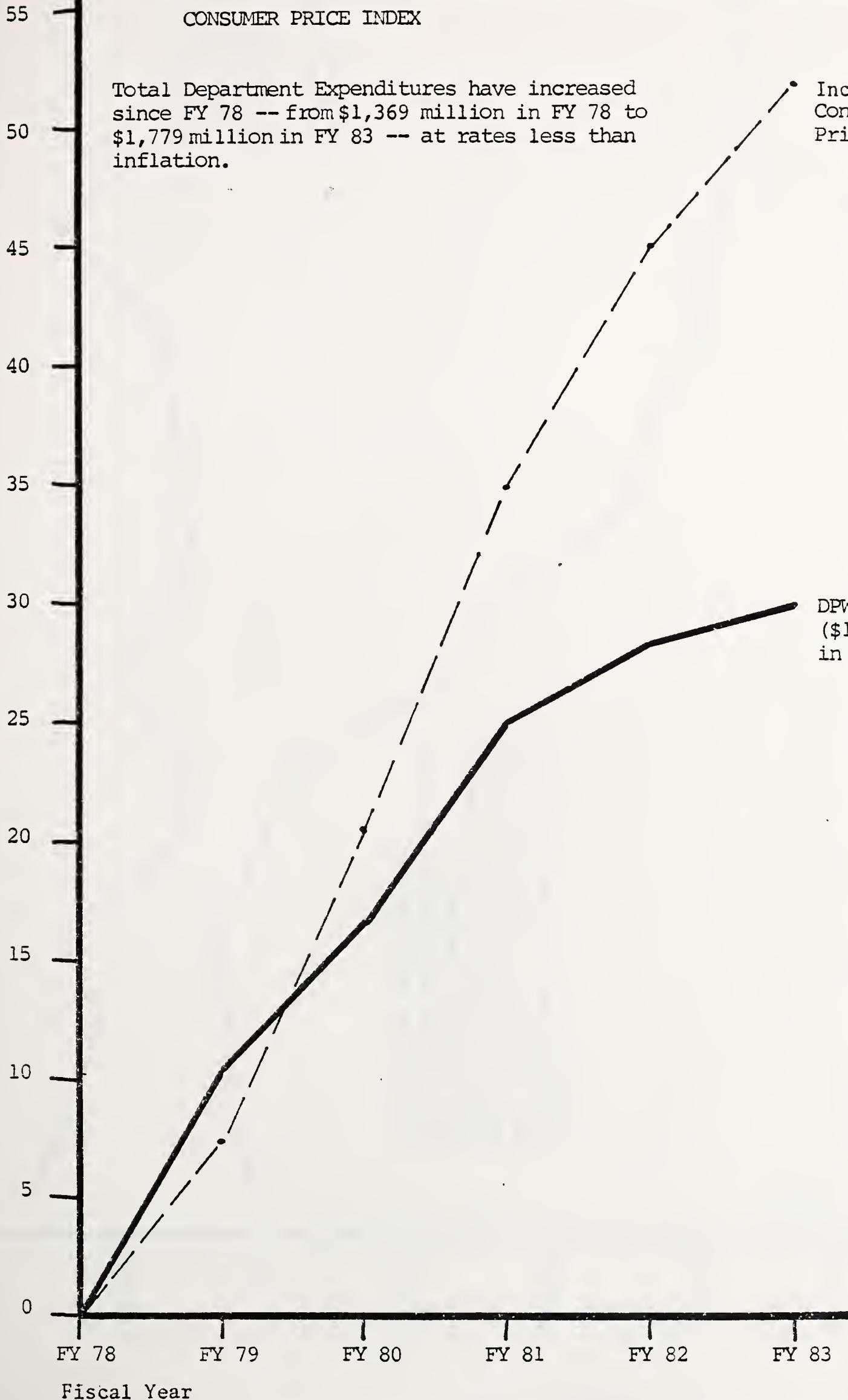
# DEPARTMENT OF PUBLIC WELFARE EXPENDITURES V. INCREASES IN THE CONSUMER PRICE INDEX

Total Department Expenditures have increased since FY 78 -- from \$1,369 million in FY 78 to \$1,779 million in FY 83 -- at rates less than inflation.

Increase in Consumer Price Index\*

DPW Expenditure (\$1,779 million in FY 83) \*\*

Percent Increase (base FY 78)

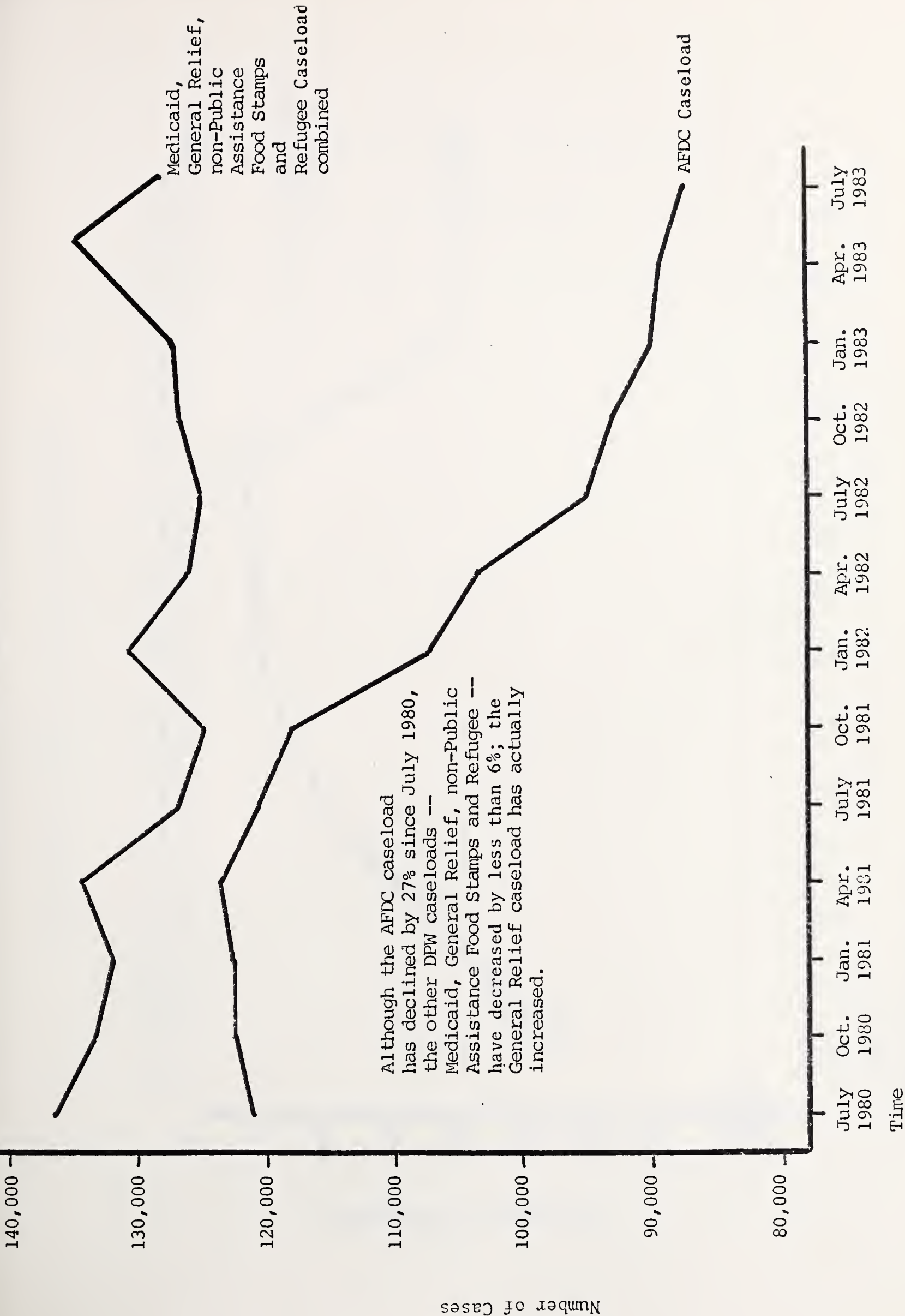


\*Source: Bureau of Labor Statistics

\*\*Source: DPW Budget Office



CASELOADS: AFDC V. OTHER CASES

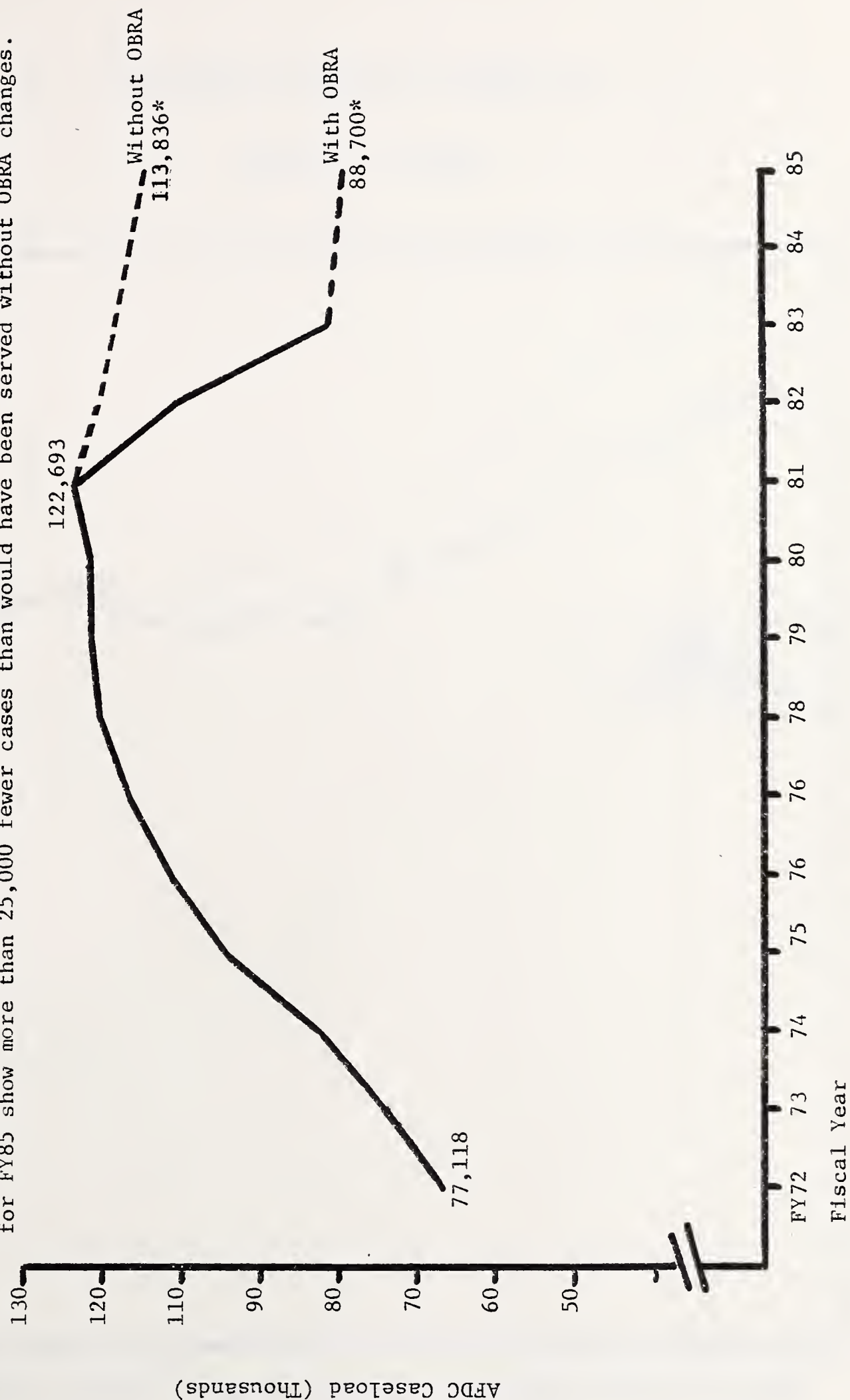






# AFDC CASELOAD: EFFECT OF 1981 OBRA IMPLEMENTATION

The implementation of new eligibility requirements under The Omnibus Reconciliation Act substantially reduced the number of AFDC recipients in Massachusetts: Projections for FY85 show more than 25,000 fewer cases than would have been served without OBRA changes.

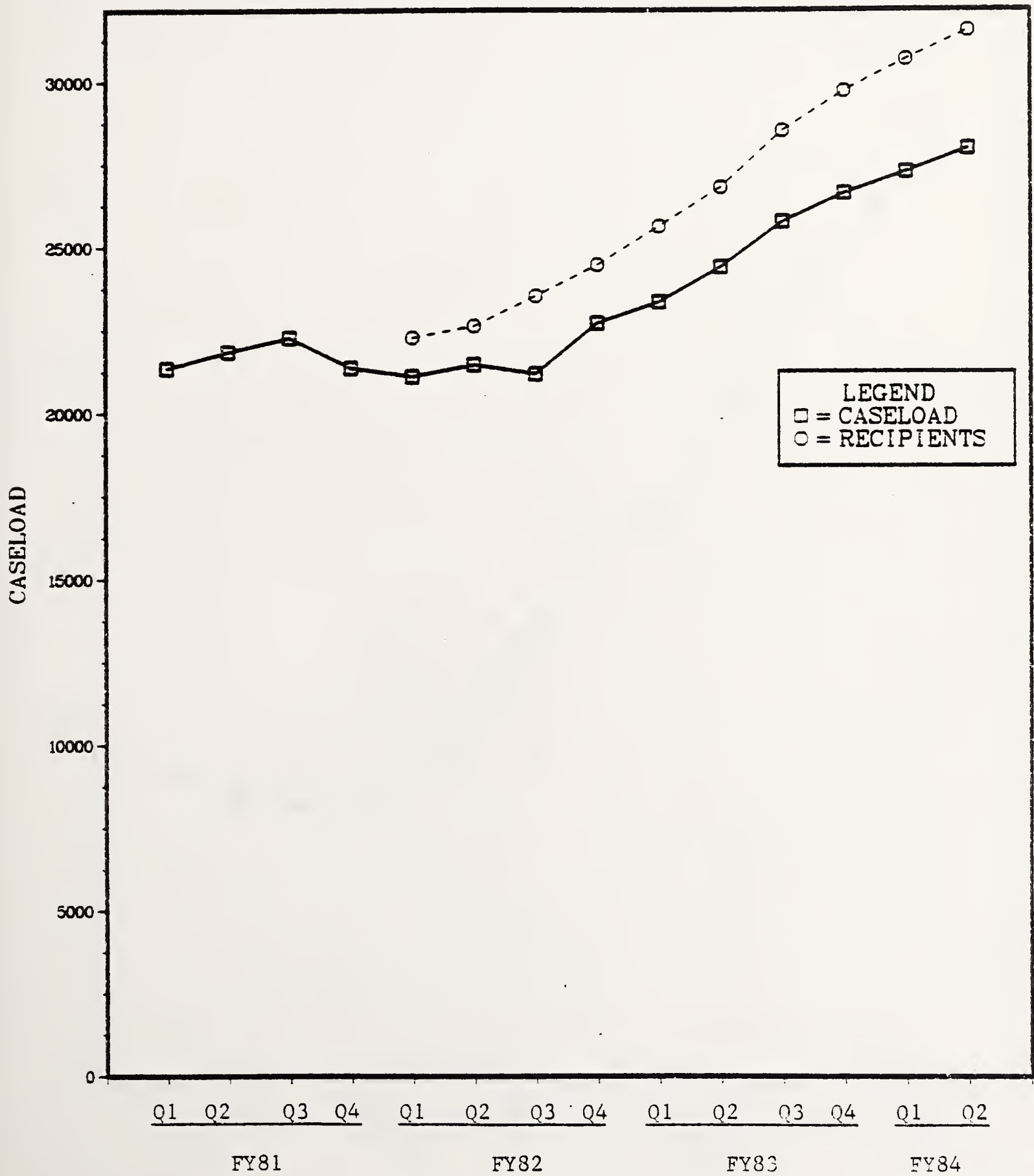


\*Estimated  
Source: DPW Budget Office  
Prepared by: DPW Office of Research, Planning and Evaluation



# GENERAL RELIEF CASELOAD

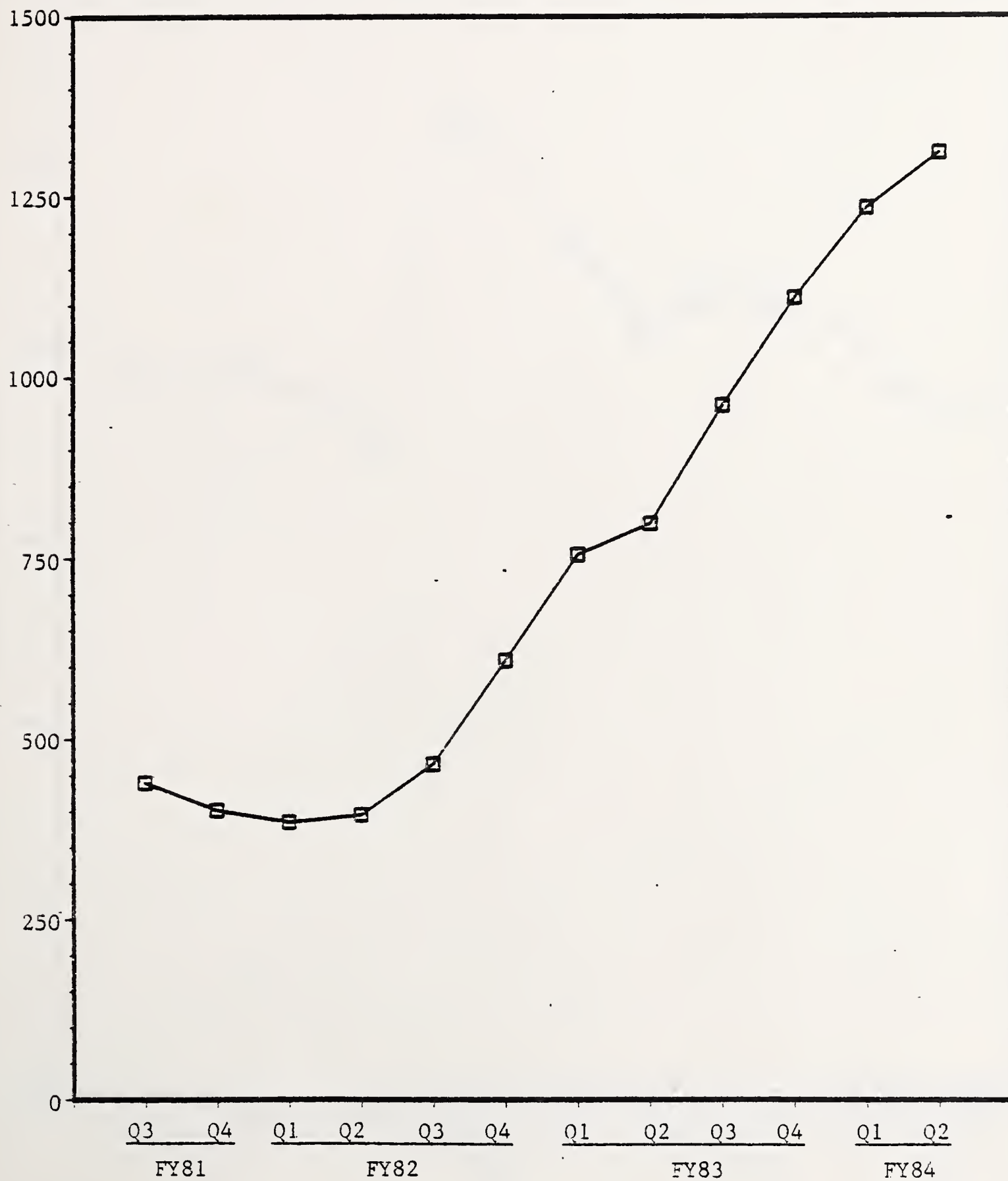
(FY81 - FY84)





# NUMBER OF GENERAL RELIEF FAMILIES

(FY81 - FY84)

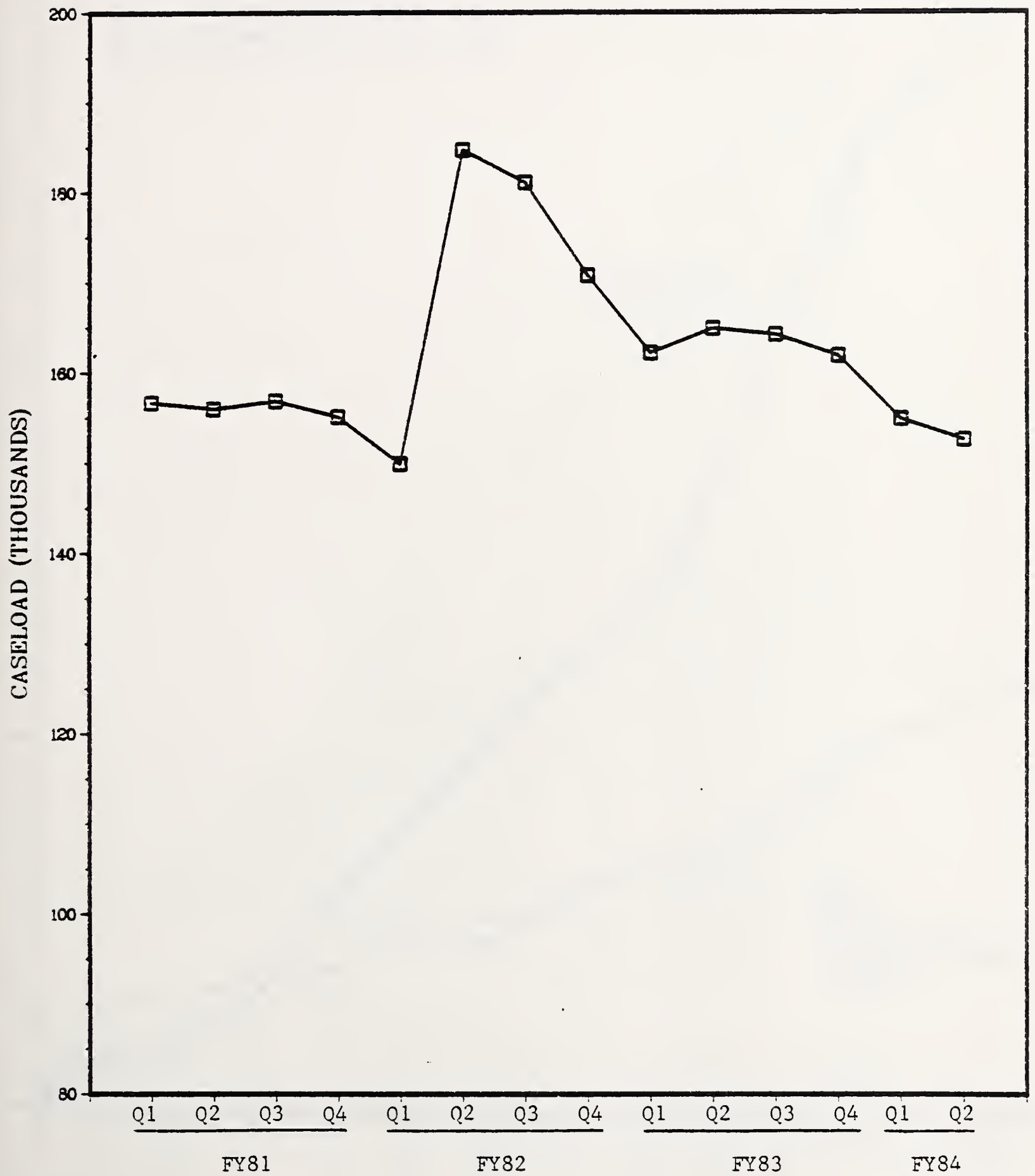






# FOOD STAMP CASELOAD

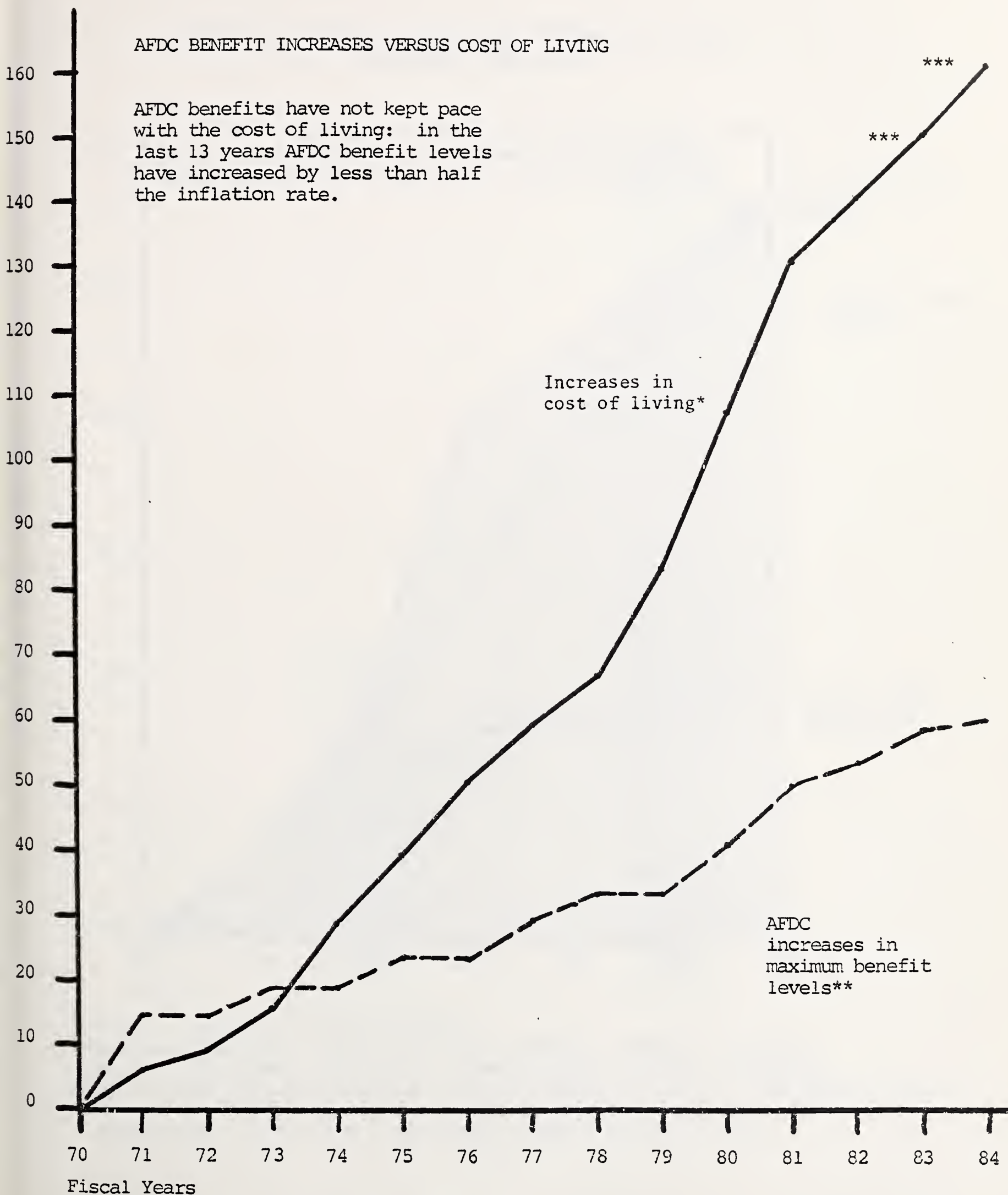
(FY81 - FY84)





# AFDC BENEFIT INCREASES VERSUS COST OF LIVING

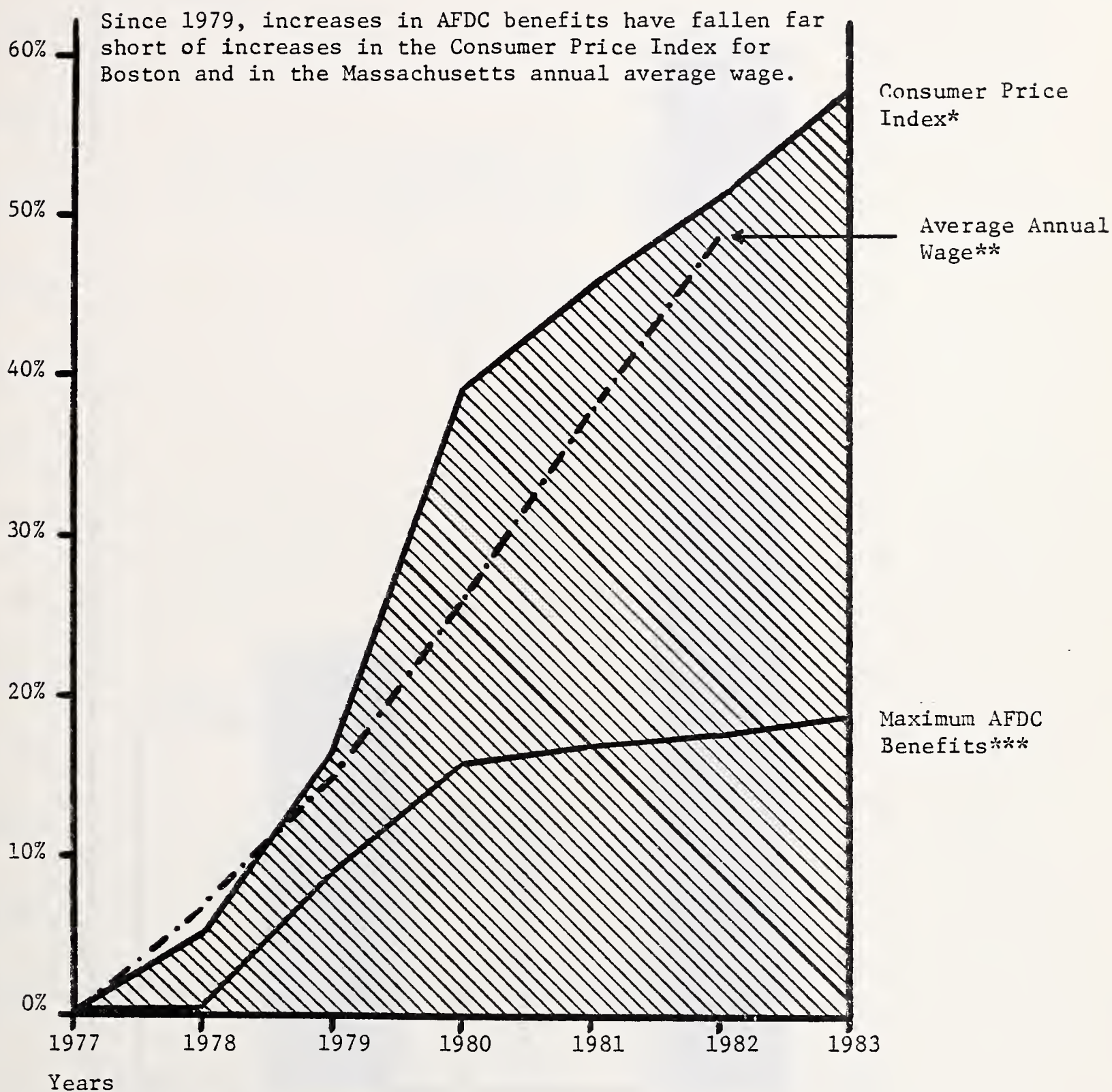
AFDC benefits have not kept pace with the cost of living: in the last 13 years AFDC benefit levels have increased by less than half the inflation rate.



\* Boston CPI; Source: BLS; 83-84 estimate based on DRI projection  
 \*\* Family of four; includes clothing allowances in FY82, FY83 and FY84;  
 Source: DPW Budget Office



# MAXIMUM AFDC BENEFITS VERSUS THE CONSUMER PRICE INDEX AND AVERAGE ANNUAL WAGE



\*Source: Bureau of Labor Statistics

\*\*Average annual wage for Massachusetts workers covered by State and Federal Unemployment Insurance. Source: Bureau of Labor Statistics

\*\*\*For a family of four; includes clothing allowances. Source: DPW Budget Office.

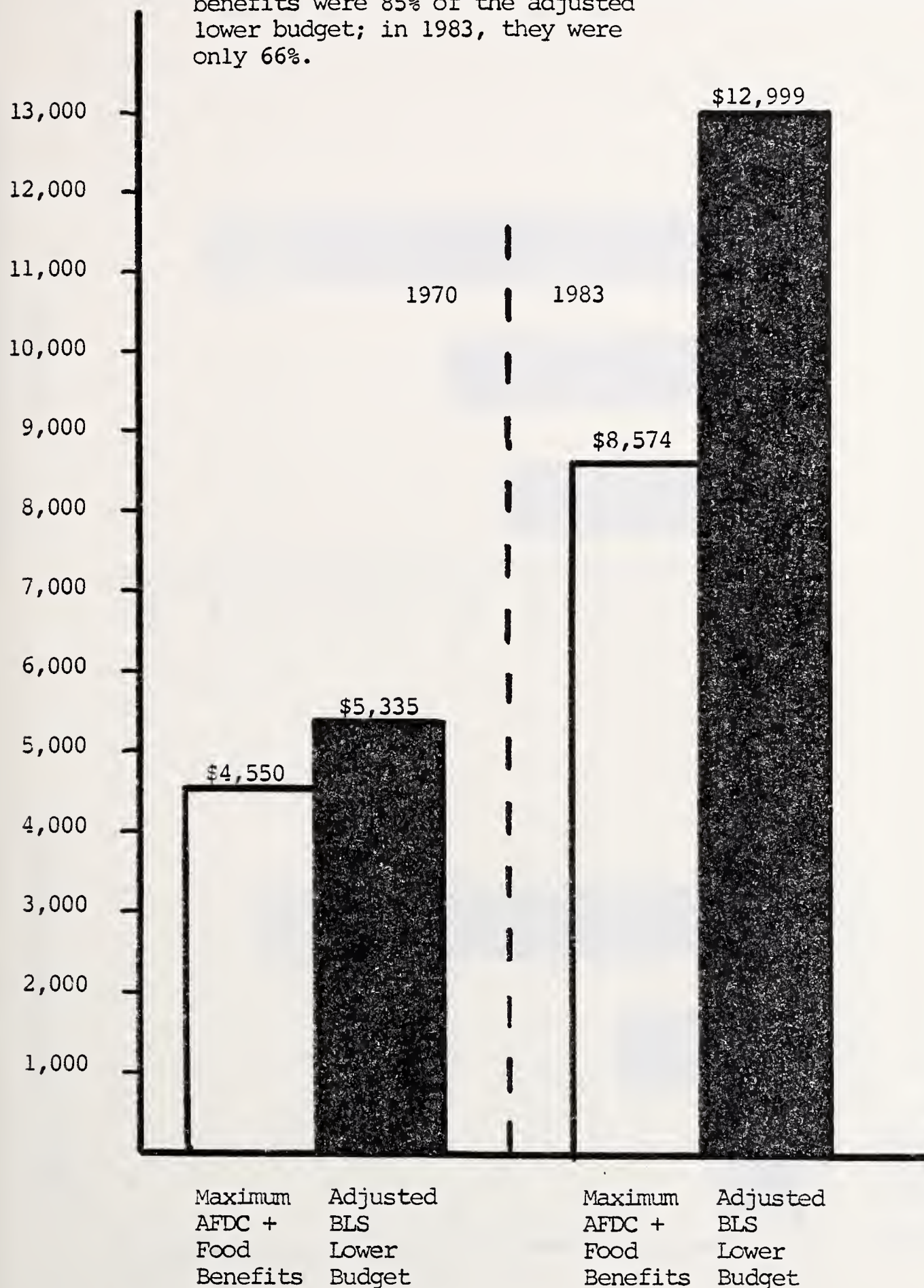
Prepared by: DPW Office of Research, Planning and Evaluation





# CASH BENEFITS v. BLS ADJUSTED LOWER BUDGET

Cash benefits to AFDC recipients have not kept pace with the BLS Lower Budget figures, even when the budget is reduced to provide a conservative estimate of an adequate income available specifically to public assistance beneficiaries. In 1970, combined AFDC and food benefits were 85% of the adjusted lower budget; in 1983, they were only 66%.

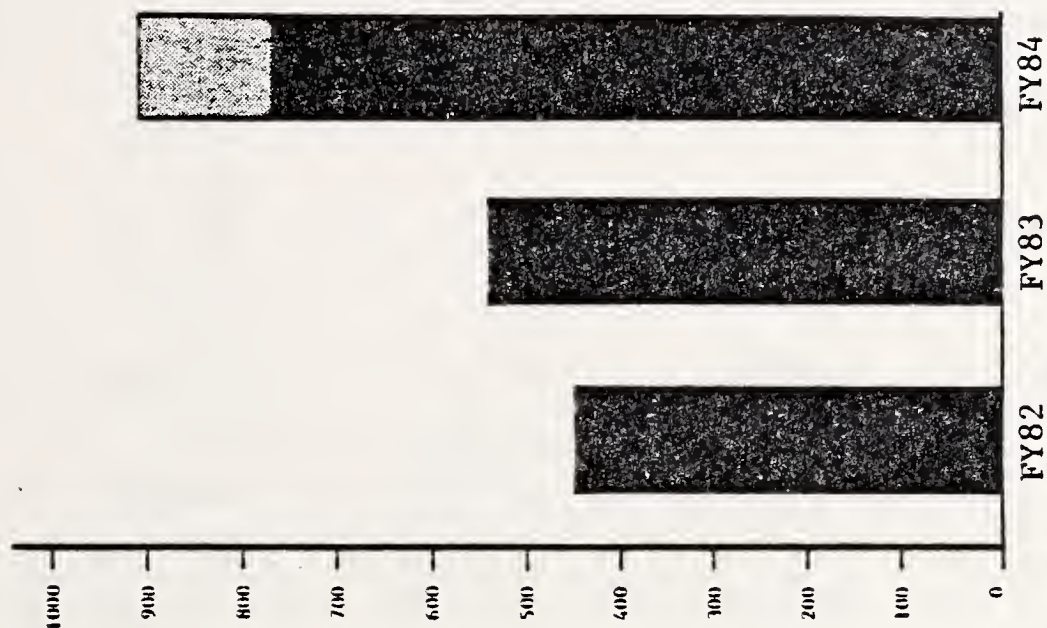


\* For a family of four; Source: DPW Budget Office

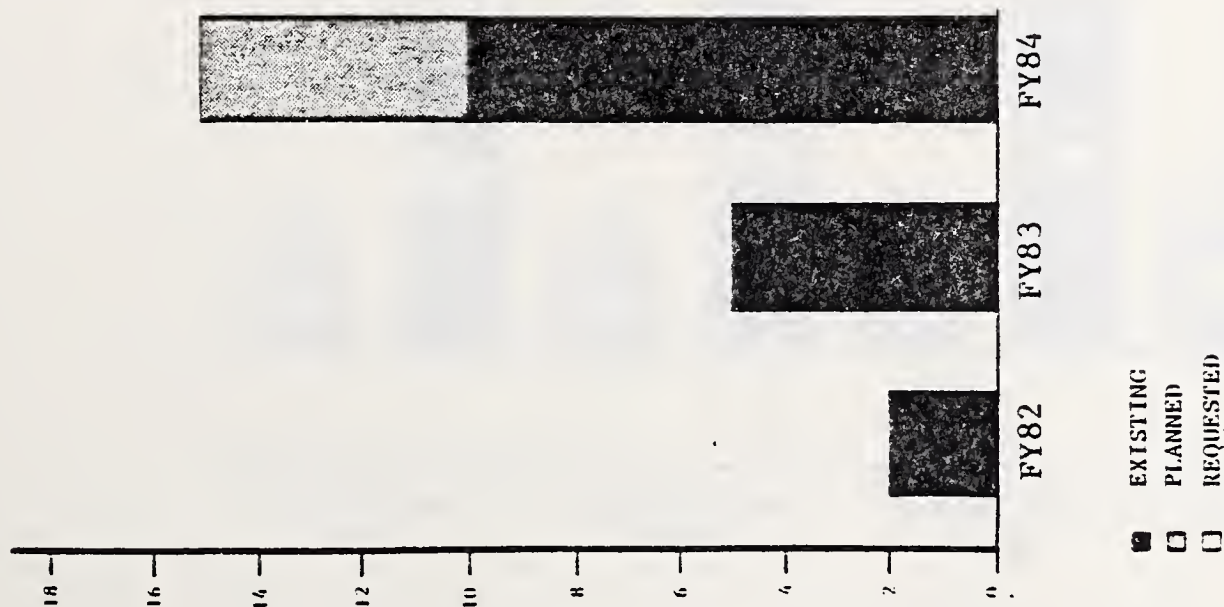
\*\* The Bureau of Labor Statistics Lower Budget for an urban family of four in Boston was adjusted downward to make it comparable to the AFDC need standard: using a methodology developed by the National Social Science and Law Center, medical costs, personal income tax, social security and disability tax and family consumption were subtracted from the BLS lower budget.



NUMBER OF DPW-FUNDED SHELTER BEDS  
PER NIGHT



NUMBER OF DPW-FUNDED SHELTERS

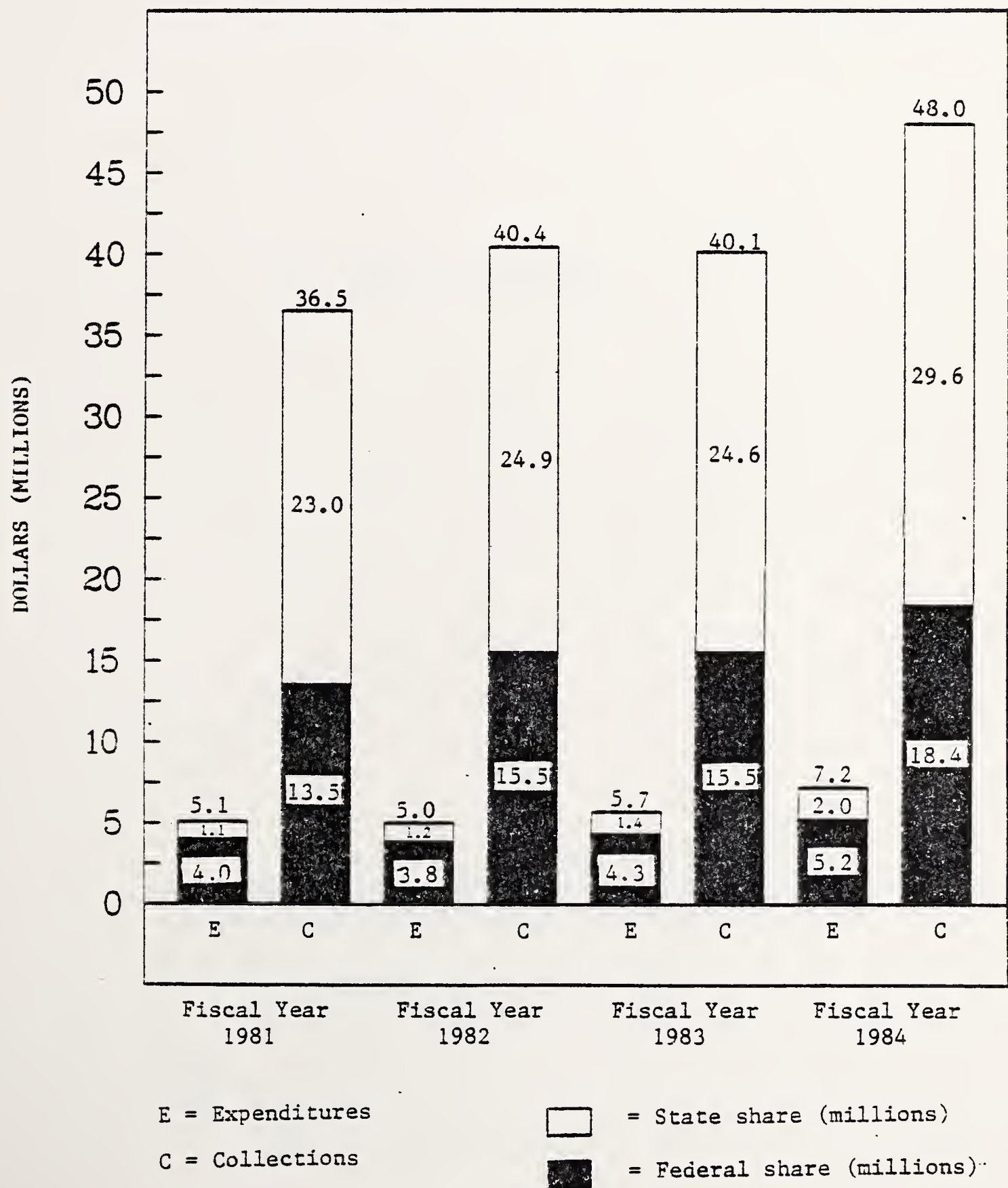


☒ EXISTING  
☐ PLANNED  
☐ REQUESTED





MASSACHUSETTS CHILD SUPPORT ENFORCEMENT UNIT  
REVENUE COLLECTED VS. EXPENDITURES



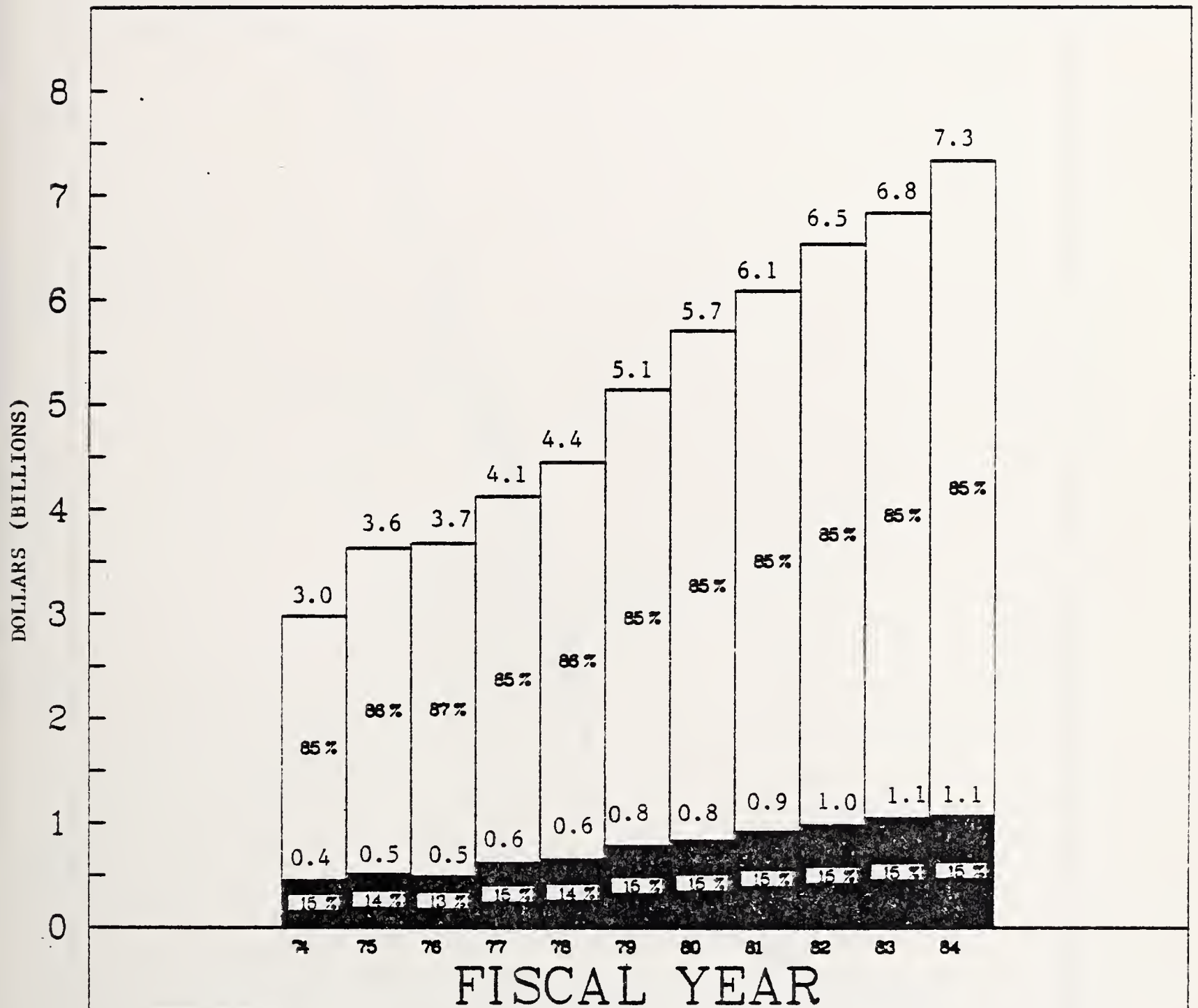


### III. Medical Assistance





# MEDICAID EXPENDITURES VS TOTAL STATE BUDGET



Medicaid expenditures

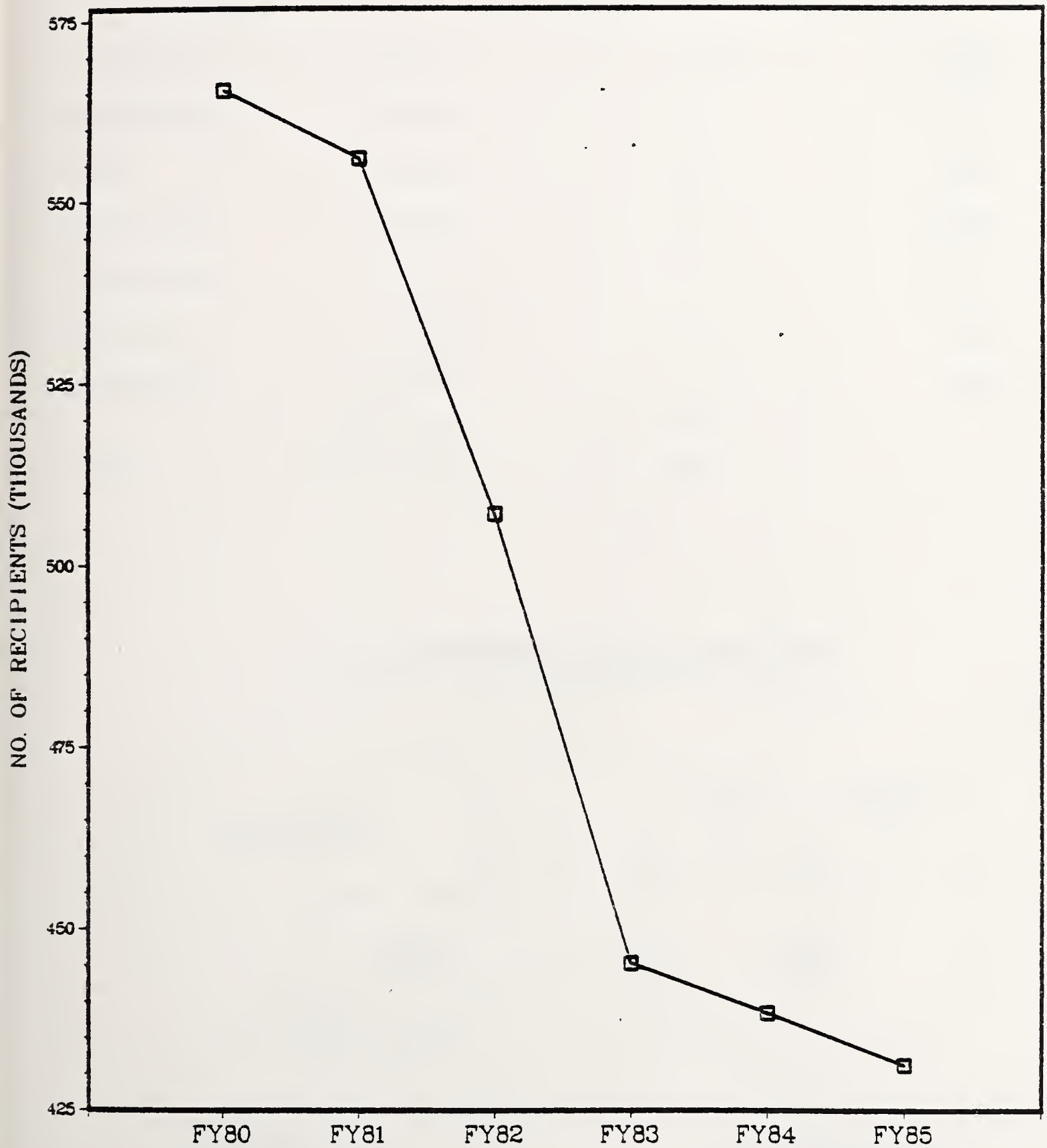


Other state expenditures



# AVERAGE NUMBER OF MEDICAID RECIPIENTS

(FY80 - FY85)

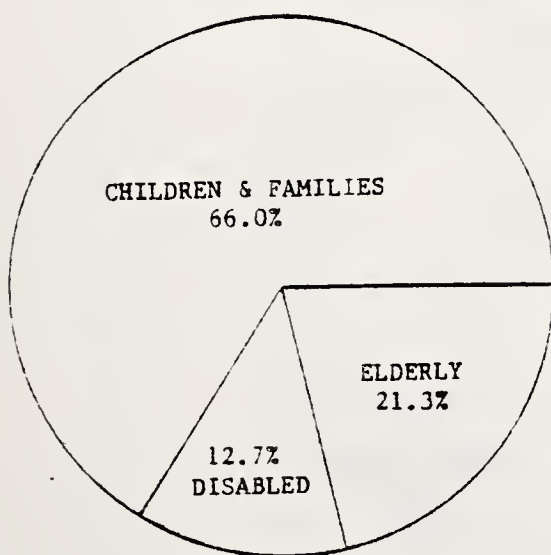




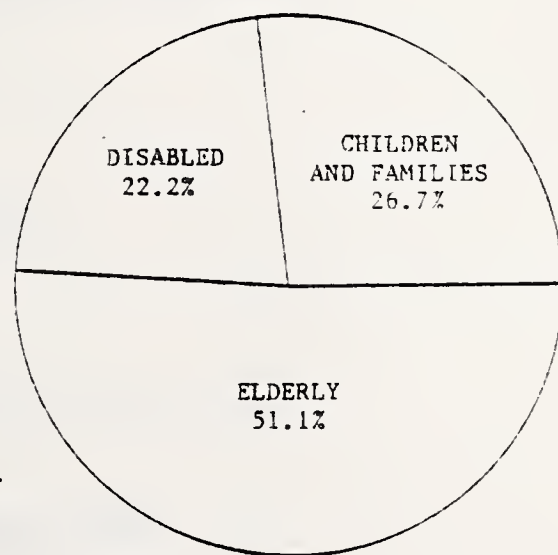
PROJECTED FY85 EXPENDITURES BY RECIPIENT CATEGORY

| <u>CATEGORY</u> | <u>FY85<br/>EXPENDITURES (\$M)</u> | <u>% OF<br/>EXPENDITURES</u> | <u>AVERAGE COST<br/>PER RECIPIENT</u> |
|-----------------|------------------------------------|------------------------------|---------------------------------------|
| SSI-Old Age     | \$ 103.271                         | 8.8 %                        | \$ 2,061                              |
| SSI-Disabled    | 184.244                            | 15.7                         | 3,701                                 |
| AFDC            | 260.524                            | 22.2                         | 1,011                                 |
| MA-Old Age      | 496.403                            | 42.3                         | 12,775                                |
| MA-Disabled     | 76.279                             | 6.5                          | 10,550                                |
| MA-AFDC         | 19.950                             | 1.7                          | 1,254                                 |
| MA-Under 21     | 32.859                             | 2.8                          | 1,008                                 |
| Total           | \$ 1,173.530                       | 100.0 %                      |                                       |

FY83 DISTRIBUTION OF MEDICAID RECIPIENTS



PERCENT OF  
TOTAL RECIPIENTS



PERCENT OF  
TOTAL EXPENDITURES

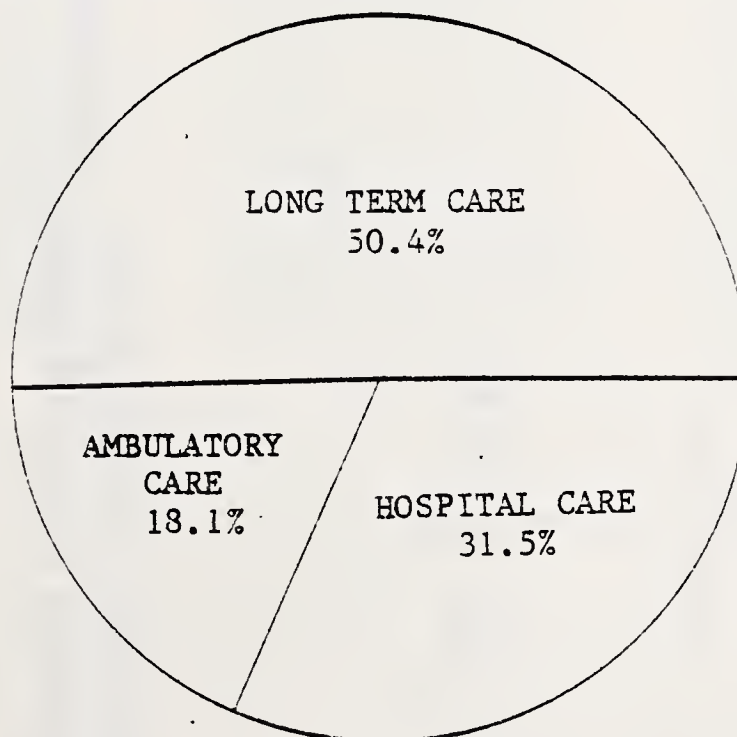




PROJECTED FY85 EXPENDITURES BY PROVIDER TYPE

| <u>PROVIDER TYPE</u>       | <u>FY85<br/>EXPENDITURES (\$M)</u> | <u>% OF TOTAL<br/>EXPENDITURES</u> |
|----------------------------|------------------------------------|------------------------------------|
| Inpatient Hospital         | \$ 259.80                          | 22.2%                              |
| Skilled Nursing Facility   | 238.96                             | 20.4%                              |
| Intermediate Care Facility | 224.65                             | 19.1%                              |
| Chronic Hospital           | 143.29                             | 12.2%                              |
| Outpatient Hospital        | 96.39                              | 8.2%                               |
| Pharmacy                   | 58.39                              | 5.0%                               |
| Physician                  | 53.37                              | 4.5%                               |
| Dentist                    | 19.90                              | 1.7%                               |
| Home Health                | 18.06                              | 1.5%                               |
| Transportation             | 9.77                               | .8%                                |
| Other                      | 50.95                              | 4.4%                               |
|                            | <hr/>                              | <hr/>                              |
| TOTAL                      | \$1,173.53                         | 100.0%                             |

ACTUAL FY83 EXPENDITURES BY PROVIDER TYPE





# DISTRIBUTION OF EXPENDITURES BY CATEGORY

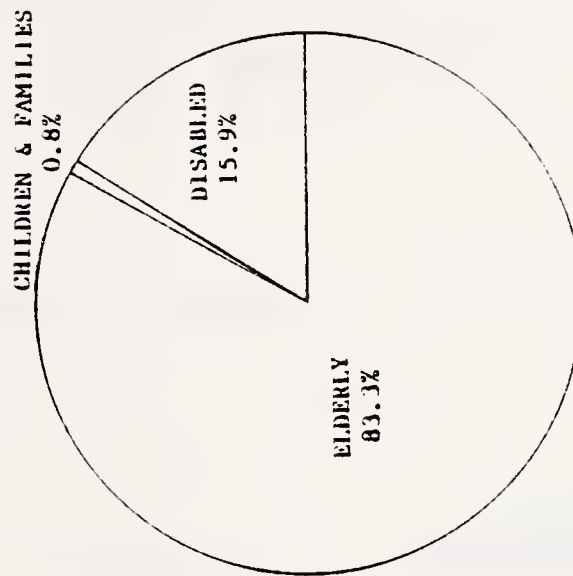
Inpatient and Outpatient  
Hospital Expenditures



Ambulatory Care Expenditures

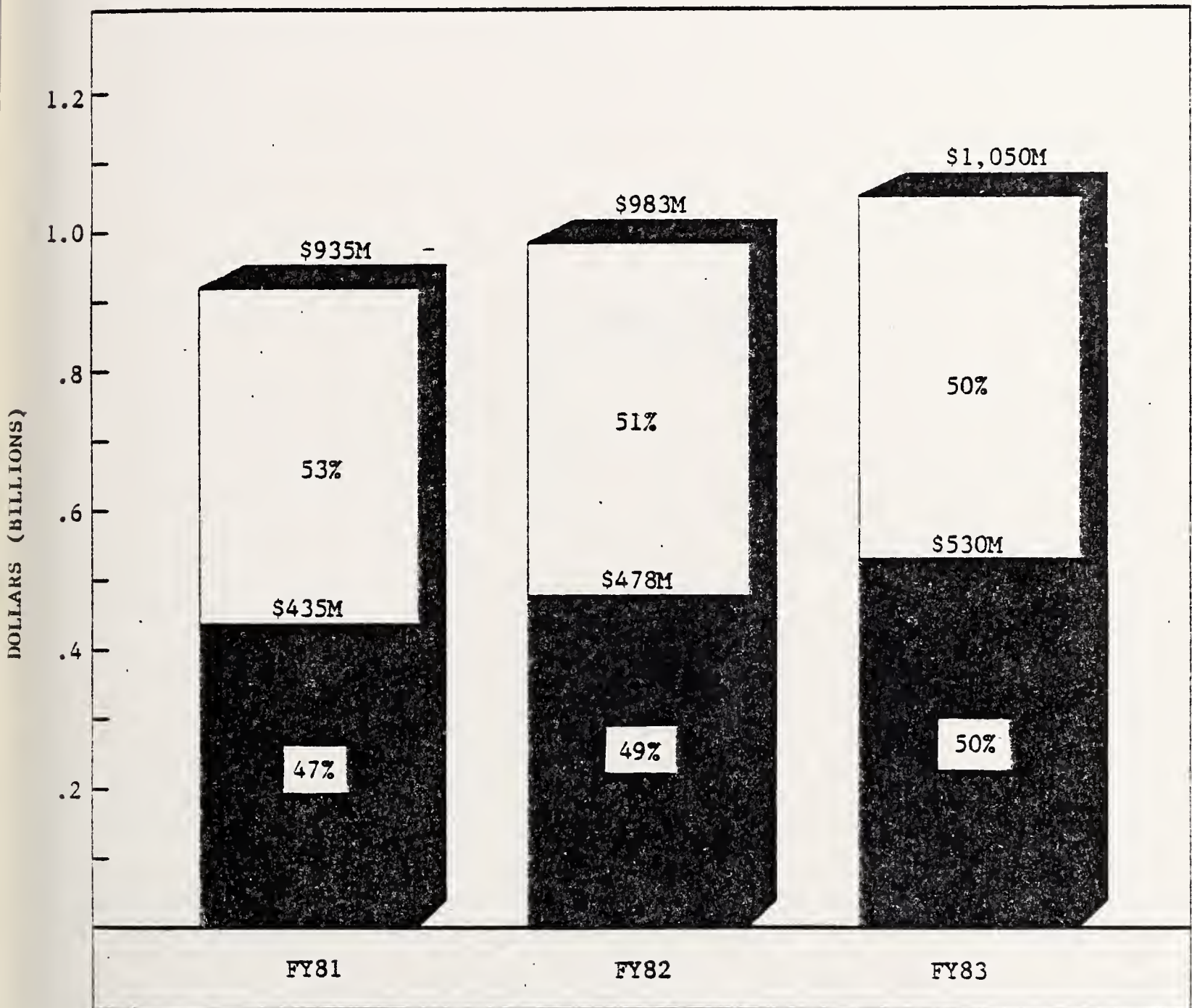


Long Term Care  
Expenditures





# LONG TERM CARE EXPENDITURES AS A PERCENTAGE OF THE MEDICAID BUDGET



## LEGEND



LTC EXPENDITURES (NURSING HOMES AND CHRONIC HOSPITALS)



NON-LTC EXPENDITURES



#### IV. Client Profiles





AFDC

CLIENT PROFILE

Race

|          |       |
|----------|-------|
| White    | 67.2% |
| Black    | 17.2% |
| Hispanic | 15.0% |
| Other    | 0.6%  |

Family Composition

|                                  |       |
|----------------------------------|-------|
| Single-Parent                    | 83.7% |
| Caretaker other than<br>parents  | 9.0%  |
| Two-Parent/One Disabled          | 3.5%  |
| Pregnant Women w/o<br>Dependents | 1.0%  |
| Two-Parent                       | 3.2%  |

Family Size

|   |       |
|---|-------|
| 1 | 8.4%  |
| 2 | 39.2% |
| 3 | 27.4% |
| 4 | 15.0% |
| 5 | 6.3%  |
| 6 | 2.4%  |
| 7 | 1.3%  |

Family Head - Gender

|        |       |
|--------|-------|
| Female | 95.6% |
| Male   | 4.4%  |

Average Length of Stay on Aid

3 Years and 3 Months

Average Age of Family Head

30.4 Years



### Employment History

|                       |     |
|-----------------------|-----|
| Currently Working     | 9%  |
| Worked Since 1/82     | 21% |
| Worked 1981 or Before | 45% |
| No Work History       | 25% |

### Education (Last Grade Attended)

|                       |     |
|-----------------------|-----|
| No Formal Schooling   | 1%  |
| Grades 1 - 8          | 14% |
| Grades 9 - 12         | 34% |
| High School Graduates | 33% |
| Some College          | 13% |
| College Graduates     | 2%  |
| Graduate Schooling    | 1%  |

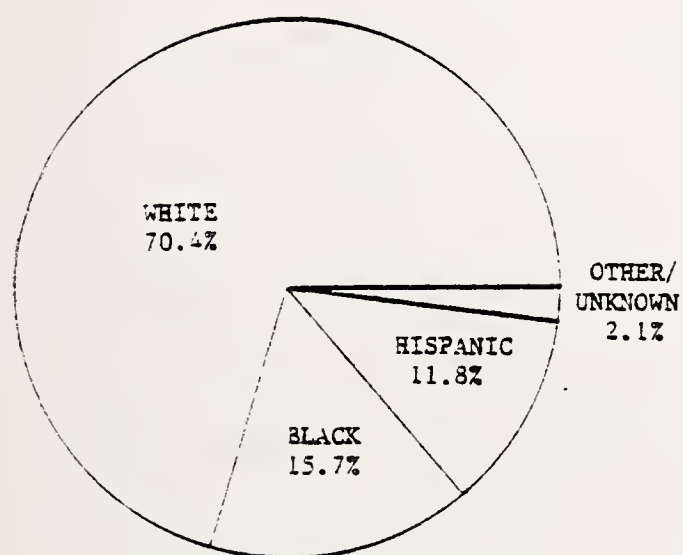
English Not Primary Language 13%

Based on 9/83 caseload information, except for last 3 items, which are based on 8/83 survey of 1,400 clients.

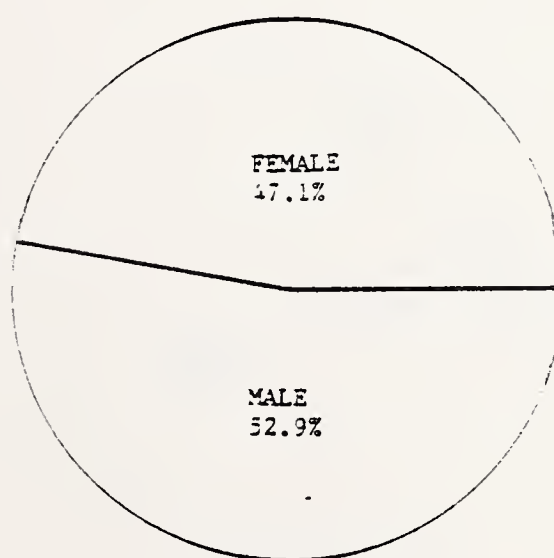


# CHARACTERISTICS OF THE GENERAL RELIEF CASELOAD

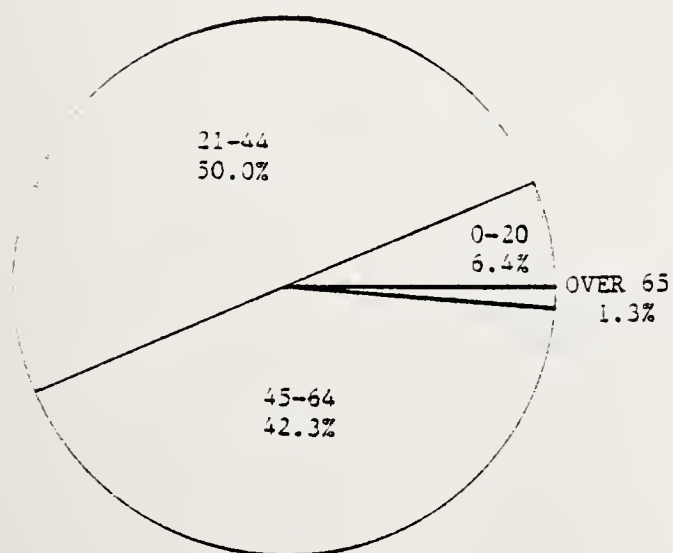
## RACE



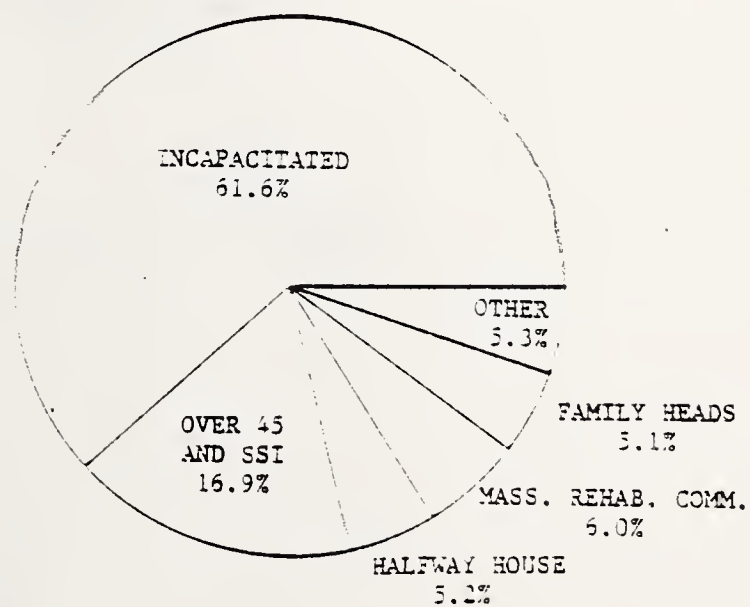
## SEX



## AGE



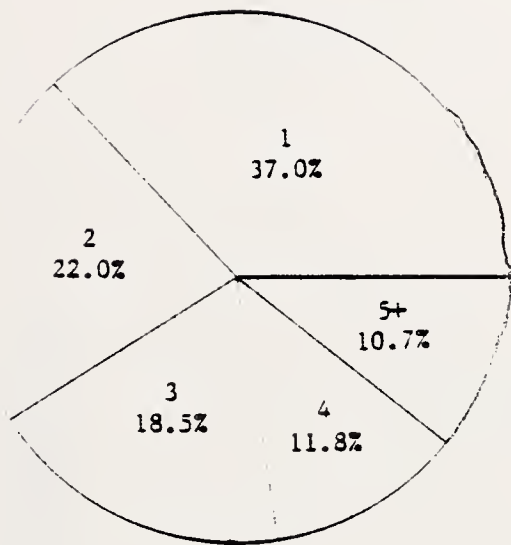
## ELIGIBILITY REASON



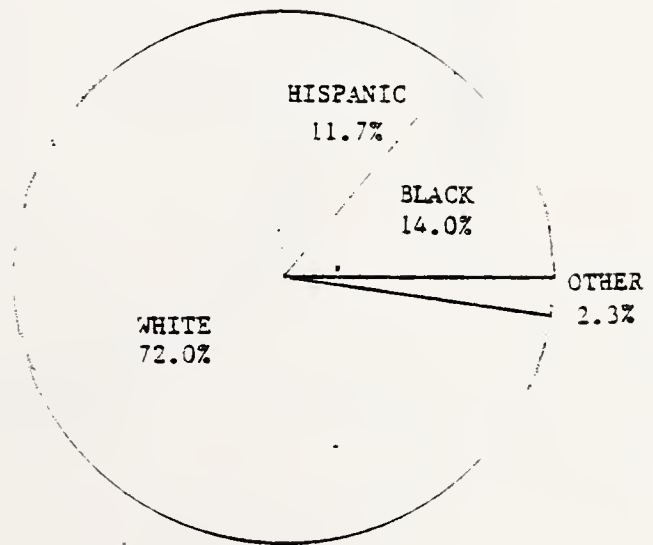




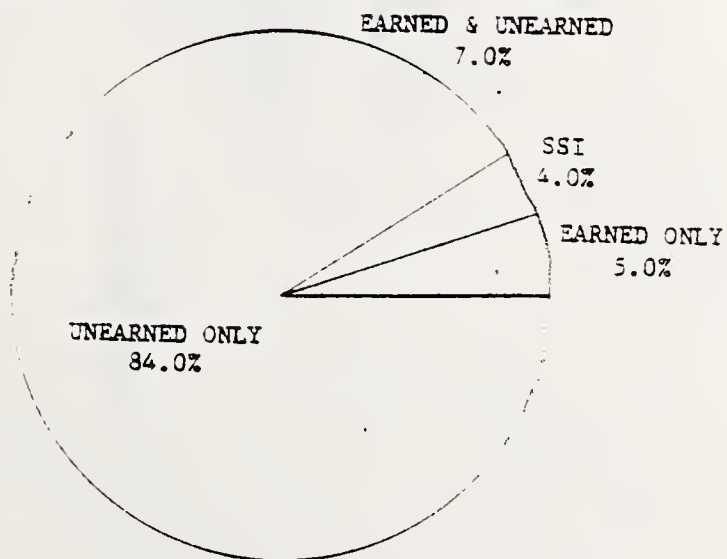
FOOD STAMP PROGRAM  
CASELOAD CHARACTERISTICS



HOUSEHOLD SIZE



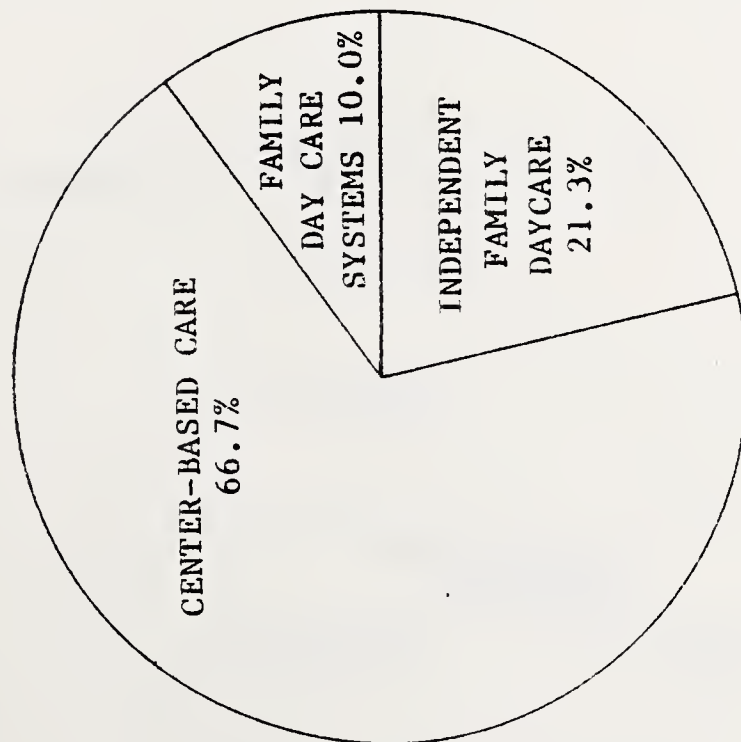
RACE



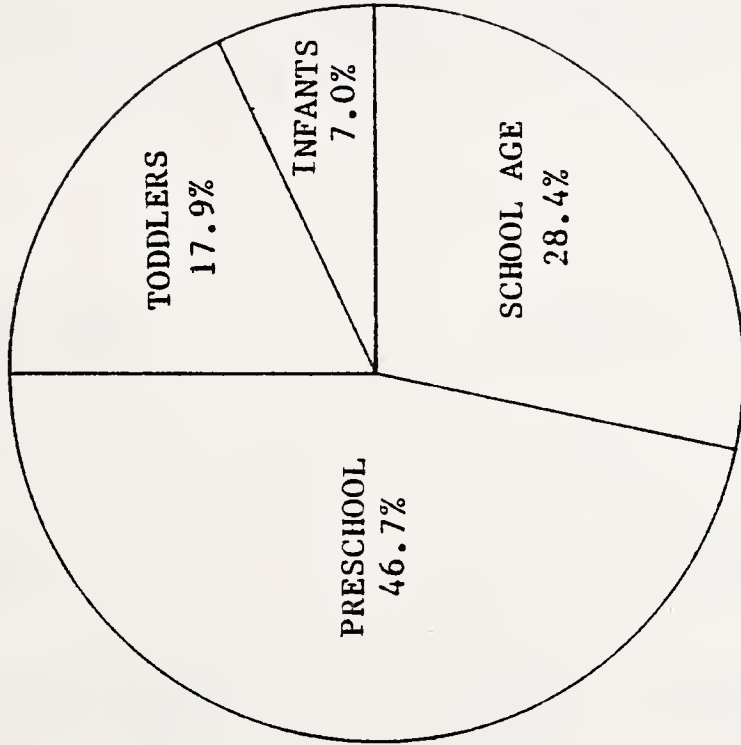
INCOME



VOUCHER DAY CARE  
CASELOAD CHARACTERISTICS



SOURCE OF DAY CARE  
FOR DPW CHILDREN



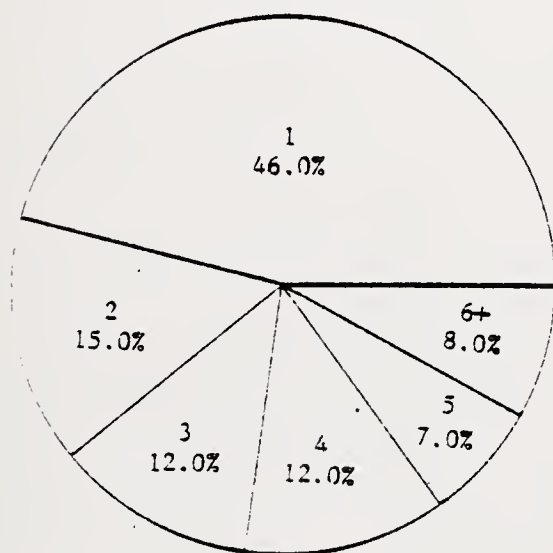
AGES OF DPW CHILDREN  
IN DAY CARE

Source: FY84 DSS Monthly Service Reports

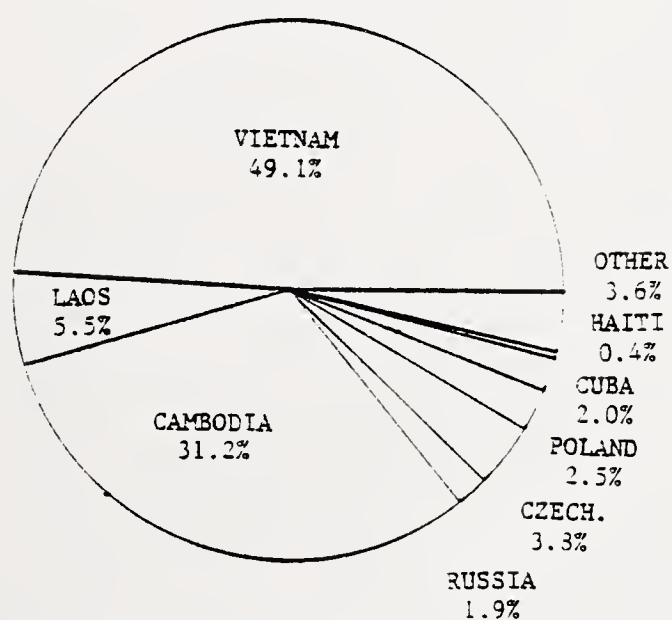


## CHARACTERISTICS OF THE REFUGEE ASSISTANCE CASELOAD

HOUSEHOLD SIZE



COUNTRY OF ORIGIN



ELIGIBILITY FOR REFUGEE ASSISTANCE

